

LABORERS TRUST AGREEMENTS



**HEALTH AND WELFARE
PENSION
VACATION-HOLIDAY
TRAINING AND RETRAINING**

**TRUST FUNDS
FOR NORTHERN CALIFORNIA**

**PUBLISHED:
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LABORERS

HEALTH AND WELFARE

TRUST FUND

**LABORERS
HEALTH AND WELFARE TRUST FUND
FOR NORTHERN CALIFORNIA**

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INDEX

LABORERS

HEALTH AND WELFARE TRUST FUND

FOR NORTHERN CALIFORNIA

	Page
Recitals.....	1
Article I Definitions.....	3
Article II Trust Fund.....	5
Article III Board of Trustees	8
Article IV Functions and Powers of Board of Trustees	9
Article V Procedure of Board of Trustees	15
Article VI General Provisions Applicable to Trustees	16
Article VII Corporate Co-Trustee or Custodian	19
Article VIII Arbitration.....	20
Article IX General Provisions	21
Article X Non-Member Employers.....	24
Article XI Amendment and Termination	25

**AMENDED AND RESTATED TRUST AGREEMENT
ESTABLISHING THE LABORERS HEALTH AND WELFARE
TRUST FUND FOR NORTHERN CALIFORNIA**

SEPTEMBER 2008

This TRUST AGREEMENT, which was entered into on March 4, 1953, by and between Northern California Chapter and Central California Chapter, the Associated General Contractors of America, Inc., referred to as the “**Employer**,” and the Northern California District Council of Hod Carriers, Building and Construction Laborers of the International Hod Carriers, Building and Common Laborers’ Union, referred to as the “**Union**,” recites and provides as follows:

Recitals:

1. The Employer, and other employer organizations signatory to this Trust Agreement, are parties to collective bargaining agreements with the Union, known respectively as the Laborers 46 Northern California Counties Master Agreement and the Laborers 46 Northern California Counties Tunnel Master Agreement, which provide that each Individual Employer covered by these Master Agreements will contribute an amount specified in the Master Agreements to the Laborers Health and Welfare Trust Fund for Northern California for each hour paid for or worked by laborers employed by an Individual Employer.

2. In addition, various Individual Employers performing work within the area covered by the Master Agreements are now or will become parties to collective bargaining agreements with the Union requiring these Individual Employers to comply with the wages, hours and working conditions set forth in the Master Agreements, or providing for payments to a health and welfare plan for Employees covered by collective bargaining agreements.

3. The parties have agreed that these Contributions are payable to and will be deposited in the Trust Fund created and established by this Trust Agreement.

4. The Trust Fund being created and the Health and Welfare Plan being implemented will, at all times, conform to the applicable requirements of the Labor-Management Relations Act of 1947, as amended, the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and any other applicable laws, and be qualified pursuant to the applicable provisions of the Internal Revenue Code, as amended, for all available exemptions and immunities.

5. The Employer and the Union referred to in the Master Agreements have negotiated the following terms and provisions of the Trust Agreement governing the establishment and administration of the Laborers Health and Welfare Trust Fund for Northern California.

6. The purpose of this Trust Agreement is to provide for the establishment of the Trust Fund and for the maintenance of the Health and Welfare Plan in accordance with the terms of the collective bargaining agreements and this Trust Agreement.

7. Since the establishment of the Trust Fund, the Northern California Chapter and Central California Chapter, the Associated General Contractors of America, Inc., originally named as the

“**Employer**,” were merged into the Associated General Contractors of California, Inc., which succeeded to all of the rights and obligations of “**Employer**” and is now the entity referred to as the “**Employer**” The name of the **Union** has also been changed to Northern California District Council of Laborers, Affiliated with the Laborers’ International Union of Northern America, AFL-CIO.

8. The Employer and the Union have agreed that this Trust Agreement is amended and restated to conform with all of the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and any valid regulations issued consistent with that Act.

Provisions: In consideration of the foregoing, and of the mutual promises stated, the parties agree as follows:

ARTICLE I

Definitions

Unless the context or subject matter requires otherwise, the following definitions govern in this Trust Agreement:

Section 1. The term “Collective Bargaining Agreement” means (a) the Laborers 46 Northern California Counties Master Agreement dated June 4, 1952, including any amendment, extension or renewal; (b) the Laborers 46 Northern California Counties Tunnel Master Agreement dated June 18, 1952, including any amendment, extension or renewal; and (c) any other collective bargaining agreement between the Union, or any of its affiliated local unions, and any Individual Employer or employer organization which provides for the making of Contributions to the Health and Welfare Fund.

Section 2. The term “Individual Employer” means any employer who is required by the Collective Bargaining Agreement to make Contributions to the Health and Welfare Fund or who in fact makes one or more Contributions to the Fund. The term “Individual Employer” also includes the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union is affiliated and any corporation, trust or other entity that provides services to the Fund or provides services in the training or retraining of laborers, which make Contributions to the Fund with respect to the work of its Employees under a Subscriber’s Agreement, which has been approved by the Board of Trustees, but only to the extent that the inclusion of these Employees is permitted by existing laws and regulations. The Union, any local union, labor council, other labor organization, corporation, trust or other entity is an Individual Employer solely for the purpose of making Contributions to the Fund with respect to the work of its respective Employees and has no other rights or privileges under this Trust Agreement as an Individual Employer.

Section 3. The term “Employee” means any employee of an Individual Employer who performs one or more hours of work covered by the Collective Bargaining Agreement. The term “Employee” also includes: (a) employees of the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local unions is affiliated; (b) retired employees eligible for benefits provided by the Laborers Pension Trust Fund for Northern California; and (c) employees of any corporation, trust or other entity that provides services to the Fund or provides services in the training or retraining of laborers, but only to the extent that this inclusion is pursuant to regulations adopted by the Board of Trustees and is permitted by existing laws and regulations.

Section 4. The term “Signatory Association” means any employer organization, other than the Employer, which is a party to this Trust Agreement or the Master Agreements and signs on behalf of its members or executes on behalf of its members any agreement to be bound by this Trust Agreement or a written acceptance or authorization of this Trust Agreement or one of the Master Agreements.

Section 5. The term “Trustee” means any natural person designated as Trustee under Article III of this Trust Agreement.

Section 6. The term “Board of Trustees” or “Board” means the Board of Trustees established by this Trust Agreement.

Section 7. The term “Health and Welfare Fund” or “Fund” means the Trust Fund created and established by this Trust Agreement.

Section 8. The term “Health and Welfare Plan” or “Plan” means the Health and Welfare Plan established by the Collective Bargaining Agreement and this Trust Agreement, including any amendment, extension or renewal.

Section 9. The term “Trust Agreement” means this Agreement, including any amendment, extension or restatement.

Section 10. The term “Contribution” means the payment made or to be made to the Fund by an Individual Employer which is required by the Collective Bargaining Agreement.

Section 11. The term “affiliated local union” means any local union affiliated with the Union whose members perform work covered by the Master Agreements.

Section 12. The term “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any valid regulations issued consistent with that Act.

ARTICLE II

Trust Fund

Section 1. The Laborers Health and Welfare Trust Fund for Northern California consists of all Contributions required by the Collective Bargaining Agreement to be made for the establishment and maintenance of the Health and Welfare Plan, including all interest, income and other returns of any kind.

Section 2. The Fund's principal office is in the City and County of San Francisco, California, or any other place designated by the Board of Trustees.

Section 3. Contributions to the Fund do not constitute nor are they deemed to be wages due to the Employees. No Employee is entitled to receive any part of the Contributions made or required to be made to the Fund in lieu of the benefits provided by the Health and Welfare Plan.

Section 4. The Fund will be administered by the Board of Trustees for the exclusive benefit of the Employees, retired Employees and their beneficiaries consistent with the provisions of the Health and Welfare Plan. Notwithstanding anything to the contrary contained in this Trust Agreement or in the Plan, including any amendment, extension or renewal, no portion of the Fund can at any time revert to, or be recoverable by, the Employer, any Signatory Association, any Individual Employer, the Union or any affiliated local union, or be used for, or diverted to, purposes other than for the exclusive benefit of the Employees, retired Employees or their beneficiaries under the Plan, and the payment of the administrative expenses of the Fund and the Plan, except for Contributions which may be refunded to an Individual Employer under applicable law.

Section 5. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee, any retired Employee, any beneficiary under the Health and Welfare Plan, nor any other person has any right, title or interest in or to the Fund other than as specifically provided in this Trust Agreement or the Plan. Neither the Fund nor any Contributions to the Fund will be in any manner liable for or subject to the debts, contracts or liabilities of the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee, any retired Employee or any beneficiary.

Section 6. Neither the Employer or any Signatory Association, nor any officer, agent, employee or committee member of the Employer or any Signatory Association, will be liable for making Contributions to the Fund or be under any other liability to the Fund or the Health and Welfare Plan, except to the extent that he or it may be an Individual Employer required to make Contributions to the Fund with respect to his or its own individual or joint venture operations, or to the extent he may incur liability as a Trustee. The liability of any Individual Employer to the Fund or the Health and Welfare Plan is limited to the payments required by the Collective Bargaining Agreement with respect to his or its individual or joint venture operations and in no event is he or it liable or responsible for any portion of the Contributions due from other Individual Employers with respect to the operations of those Individual Employers. The basis on which payments are made to the Fund is specified in the Collective Bargaining Agreement, Subscriber's Agreement and this Trust Agreement. The Individual Employers will not be required to make any further payments or

Contributions to the cost of the operation of the Fund or the Plan, except as may be provided in those Agreements.

Section 7. Each Employee, retired Employee or beneficiary under the Health and Welfare Plan is restrained from selling, transferring, anticipating, assigning, alienating, hypothecating or otherwise disposing of any right or interest under the Plan. The Board of Trustees will not recognize, or be required to recognize, any sale, transfer, anticipation, assignment, alienation, hypothecation or other disposition. However, the Board of Trustees may adopt rules and regulations allowing any Employee, retired Employee or beneficiary to direct that any benefits due him be paid directly to an institution in consideration of medical or hospital services or to any other provider of services specified in the Health and Welfare Plan.

Section 8. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union nor any Employee or retired Employee will be liable or responsible for any debts, liabilities or obligations of the Fund or the Trustees.

Section 9. Contributions to the Fund are due commencing February 1, 1953, for work on or after that date and are payable in San Francisco, California, in regular monthly installments starting on or before March 15, 1953, and continuing from month to month, subject to the provisions of the Collective Bargaining Agreement. The Contribution payable on or before March 15, 1953, included all amounts which accrued for work performed during the period from February 1, 1953, up to the close of the Individual Employer's payroll period ending closest to the last day of that month. Each subsequent monthly Contribution must include all amounts which have accrued in the interim for work performed up to the close of the Individual Employer's payroll period ending closest to the last day of the preceding calendar month. Each monthly Contribution must be accompanied by a report in a form prescribed by the Board of Trustees. The rate of contribution paid by the Union, or any affiliated local union, pursuant to regulations adopted by the Board of Trustees, cannot be less than the rate of contribution required by the Collective Bargaining Agreement.

Section 10. Each Contribution to the Fund must be made promptly, but in no event later than the 25th day of the calendar month in which it is due, on which date the Contribution, if not paid in full, is delinquent. If any Individual Employer fails to make his or its monthly Contribution in full on or before the 25th day of the month on 4 occasions within any 12-month period, the Board of Trustees may provide by resolution that, during the 12-month period immediately following the resolution, the 15th day of the month is the delinquency date for that Individual Employer.

The Employer and Union recognize and acknowledge that the regular and prompt payment of Contributions to the Fund is essential to the maintenance of the Health and Welfare Plan and have considered all pertinent factors bearing on the problem of Individual Employer delinquencies, including, without limitation, (1) the cost to the Fund of collection activities made necessary by those delinquencies, (2) the losses to the Fund resulting from the failure of delinquent Individual Employers to file reports of Contributions at a time when money to pay Contributions is available, (3) the delay in and increased cost of making benefit payments to Employees due to delinquent Individual Employer reports and Contributions, and (4) the adverse effect of Individual Employer delinquencies upon the willingness of all other employers to make regular and prompt payments to the Fund. The Employer and the Union have concluded that it remains extremely difficult, if not

impracticable, to fix the actual expense and damage to the Fund and the Health and Welfare Plan, which results from the failure of an Individual Employer to pay the monthly Contributions in full within the time provided in the Trust Agreement. Furthermore, the Employer and the Union have estimated that the cost and damage to the Fund is significant and that it would aid in the solution of the problem of Individual Employer delinquencies if the Trust Agreement provide: (1) that the cost and damages will be payable by the delinquent Individual Employers to the Fund as liquidated damages and not as a penalty, effective for Contributions due for work performed on or after November 1, 2002; (2) that the Board of Trustees be granted authority to amend the liquidated damages and interest provisions applicable to delinquent Contributions; and (3) that any adjustments made by the Board of Trustees to the liquidated damages and interest provisions reflect the administrative and collection costs associated with the delinquent Contributions owed to the Fund. Therefore, the Employer and Union and any party signatory to the Collective Bargaining Agreement authorize the Board of Trustees to set or amend the liquidated damages and interest provisions applicable to delinquent Contributions. Any adjustments implemented by the Board of Trustees will reflect the administrative and collections costs associated with the delinquent Contributions due to the Trust Fund.

These amounts as determined by the Board will become due and payable to the Fund as liquidated damages and not as a penalty, in San Francisco, California, upon the day immediately following the date on which the Contributions become delinquent and are in addition to any delinquent Contributions. The Contributions, as increased, are the amounts required to be paid to the Fund.

ARTICLE III

Board of Trustees

Section 1. The Fund is administered by a Board of Trustees which consists of 5 Trustees representing the Individual Employers and 5 Trustees representing the Employees. The Trustees representing the Individual Employers are appointed in a writing signed by the Employer, who is irrevocably designated by each Individual Employer as his or its attorney-in-fact for the purpose of appointing and removing Trustees and successor Trustees. The Trustees representing the Employees are appointed by the Union in a writing signed by the Executive Officer of the Union.

The Employer and the Union expressly designate the Trustees jointly as named fiduciaries, who have the exclusive authority and discretion acting as the Board of Trustees to control and manage the operation and administration of the Fund and the Plan. Each of the Trustees expressly accepts designation as a fiduciary and as Trustee by written acceptance and signature of this Trust Agreement and assumes the duties, responsibilities and obligations of the Trustees created and established by this Trust Agreement and under applicable law. Any successor Trustee will also sign the Trust Agreement or a written acceptance in a form approved by and filed with the Board of Trustees.

Section 2. The Trustees agree to select one person to act as Chairman of the Board of Trustees and one to act as Co-Chairman, each to serve for a period of time determined by the Board. When the Chairman is selected from among the Employer Trustees, the Co-Chairman will be selected from among the Employee Trustees, and vice versa.

Section 3. Each Trustee will serve until his death, resignation or removal from office.

Section 4. A Trustee may resign at any time by serving written notice of his resignation upon the Secretary of the Board of Trustees at least 30 days prior to the date on which his resignation is to be effective. The Secretary will promptly notify, in writing, the Chairman and Co-Chairman of the Board and the Employer and Union of the Trustee's resignation.

Section 5. Any Employer Trustee may be removed from office at any time, for any reason, by a writing signed by the Employer and served on the Secretary of the Board of Trustees. Any Employee Trustee may be removed from office at any time, for any reason, by a writing signed by the Executive Officer of the Union and served on the Secretary of the Board of Trustees. The Secretary will promptly notify, in writing, the Chairman and Co-Chairman of the Board, the Trustee being removed, and the Union or Employer of the removal.

Section 6. If an Employer Trustee dies, resigns or is removed from office, a successor Trustee will be promptly appointed in a writing signed by the Employer. If an Employee Trustee dies, resigns or is removed from office, a successor Trustee will be promptly appointed in a writing signed by the Executive Officer of the Union.

ARTICLE IV

Functions and Powers of Board of Trustees

Section 1. The Board of Trustees acting jointly has the power to control and manage the assets, operations and administration of the Fund and the Plan as a fiduciary and is required to exercise that authority with the care, skill, prudence and diligence under the prevailing circumstances that a prudent board acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of like character and with like aims. The Board has the authority to:

(A) Appoint an investment manager or managers (as defined by ERISA) to manage (including the power to acquire and dispose of) any assets of the Fund;

(B) Enter into an agreement allocating among Trustees the specific responsibilities, obligations, or duties as the Board determines;

(C) Designate persons other than named fiduciaries to carry out fiduciary responsibilities (other than Trustee responsibilities) under this Trust Agreement or the Plan; and

(D) Employ one or more persons to provide advice with regard to any responsibility the Board has under this Trust Agreement or Plan.

Any person or entity appointed, designated or employed by the Board agrees to act solely in the interests of the participants and beneficiaries of the Fund and the Plan.

The detailed basis on which health and welfare benefits are paid will be set forth in writing and designated as the Health and Welfare Plan of the Laborers Health and Welfare Trust Fund for Northern California. The Board of Trustees expressly reserves the right, in its sole discretion, at any time, to amend or modify any Health and Welfare Plan provision even though the changes may affect claims which have already been accrued. Any amendment or modification of the Health and Welfare Plan must be in writing and signed by the Chairman and Co-Chairman of the Board.

Section 2. All Contributions to the Fund are due and payable in San Francisco, California and must be paid to, received and held by the Fund subject to the terms and provisions of this Trust Agreement. The acceptance and cashing of any checks for Contributions, and the disposition of monies covered in accordance with this Trust Agreement, will not release or discharge the Individual Employer from his or its obligation under the Collective Bargaining Agreement for hours paid or worked for which no Contributions have actually been received, notwithstanding any statement, restriction or qualification appearing on the check or any attachment to the check.

The Board of Trustees may direct that any check may be a single check covering monies payable to one or more other funds and may join with the boards of trustees of other funds in instructing the bank or banks with regard to the allocation of the monies covered by the check among the funds. In the event these instructions are given, they are binding upon the bank or banks, the Individual Employer, the Employees, the Employer, the Union and all other parties.

Section 3. The Board of Trustees has the power in the name of the Fund, or jointly with other funds, as in its discretion may be deemed necessary or desirable, to demand and enforce, by suit, in court or otherwise, the prompt payment of Contributions to the Fund, including payments due to delinquencies as provided in Article II, Section 10, without being limited to or restricted by any grievance or arbitration procedures contained in the Collective Bargaining Agreement. In addition, the Board has the right to assert and enforce all priorities, lien rights, and other claims or rights with respect to any Contributions or payments belonging to this Trust Fund or any of its participants or beneficiaries, including the right to file priority and other claims in bankruptcy.

If any Individual Employer defaults in the making of Contributions or payments and if the Board consults legal counsel, or files any suit or claim, there will be added to the obligation of the Individual Employer who is in default, reasonable attorney's fees, costs and all other reasonable expenses incurred in connection with the suit or claim, including any and all appellate proceedings.

Section 4. Without limitation of the provisions of Section 1 of this Article, the Board of Trustees has the power to:

(A) Pay out of the Fund the reasonable expenses incurred in the establishment of the Fund and the Plan;

(B) Establish and accumulate reserve funds as may be adequate to provide for administrative expenses and other obligations of the Fund, including the maintenance of the Health and Welfare Plan;

(C) Provide a procedure for establishing and carrying out a funding policy and method consistent with the objectives of the Health and Welfare Plan and the requirements of ERISA;

(D) Employ or engage executive, consulting, actuarial, accounting, administrative, clerical, secretarial, legal or other employees, assistants or advisors, as necessary, to administer the Fund and the Health and Welfare Plan and pay out of the Fund the compensation and necessary expenses of these employees, assistants and advisors, and the cost of office space, furnishings and supplies and other essentials required in the administration of the Fund. If the Board is unable to agree upon the employment of either a consultant-actuary or an attorney, the Employer Trustees and the Employee Trustees may each select either a consultant-actuary or an attorney, or both, who are directed to act jointly in connection with the administration of the Fund, and the reasonable cost of the advice or services will be paid from the Fund. The Board will engage an independent qualified public accountant and an enrolled actuary on behalf of all Plan participants as required by ERISA;

(E) Incur and pay out of the Fund any other expenses reasonably incidental to the administration of the Fund or the Health and Welfare Plan;

(F) Compromise, settle, or release claims or demands in favor of or against the Fund on any terms and conditions the Board may deem desirable, including the power to continue, maintain and from time to time modify or revoke, in whole or in part, a policy or procedure for the waiver of all or part of the liquidated damages portion of any Contribution upon any terms and conditions the Board determines would be in the interests of the Fund and its participants and beneficiaries. However, this clause will not excuse any violation of the Collective Bargaining Agreement;

(G) Invest and reinvest the assets of the Fund in accordance with all applicable laws if no investment manager is designated and appointed by the Board. Investments may be made with a bank or other fiduciary to the fullest extent permitted by law. No indicia of ownership will be maintained outside the jurisdiction of the district courts of the United States, except to the extent permitted by law;

(H) Enter into contracts or policies in its own name or in the name of the Fund; terminate, modify or renew any contracts or policies subject to the provisions of the Health and Welfare Plan and the Trust Agreement; and exercise and claim all rights and benefits granted to the Board or the Fund by any contracts or policies;

(I) Pay all or part of the benefits provided in the Health and Welfare Plan to the persons entitled to benefits under the Plan and in accordance with the terms and provisions of the Plan and Trust Agreement;

(J) Purchase, sell, exchange, lease, convey, mortgage or otherwise dispose of or acquire any property, real, personal or mixed, on any terms the Board may deem proper, and execute and deliver any and all instruments of conveyance or transfer;

(K) Borrow money; encumber or hypothecate real or personal property by mortgage, deed of trust (with power of sale), contract of sale, security agreement, pledge or otherwise; borrow money on the credit of the trust estate; and purchase real or personal property subject to, and assume the obligation secured by a mortgage, deed of trust (with power of sale), contract of sale, security agreement, pledge or otherwise;

(L) Construe the provisions of this Trust Agreement and the Plan and any construction adopted by the Board in good faith is binding upon any and all parties or persons;

(M) Pay any and all real or personal property taxes, income taxes, or other taxes or assessments of any or all kinds levied or assessed upon the Fund or the Health and Welfare Plan;

(N) Prepare periodic reports, descriptions, summaries and other information required by law or as the Board in its discretion deems necessary or appropriate, and file and furnish those reports, descriptions, summaries and information to participants and their beneficiaries, the Union or its affiliated local unions, the Employer and Individual Employers, the Trustees or other persons or entities, including governmental agencies, as required by law or as deemed necessary by the Board;

(O) Maintain a bank account or bank accounts as necessary or advisable in the administration of the Fund or the Health and Welfare Plan, and designate the person or persons authorized to sign checks and withdrawal orders on those accounts;

(P) Adopt and prescribe reasonable rules and procedures, which are consistent with the provisions of this Trust Agreement and the Health and Welfare Plan, governing the reporting of Contributions, the entitlement to benefits, the method of applying for benefits, and any and all other matters in connection with the Fund and the Plan;

(Q) Invest in group or collective investment trusts or investment companies; to the extent required by the provisions of any common or collective investment trust which has been qualified under Section 401(a) and is exempt under Section 501(a) of the Internal Revenue Code of 1986, as amended, the terms of the agreement or declaration of trust establishing that collective trust fund are incorporated into this Trust and any assets invested in that collective trust fund will be held, invested and administered in accordance with that agreement or declaration of trust; and,

(R) Exercise and perform any and all of the other powers and duties specified in this Trust Agreement or the Health and Welfare Plan.

Section 5. The Board of Trustees will provide at the expense of the Fund, where and to the extent permissible by applicable law, insurance and bonding protection for the Fund and for each Trustee, former Trustee or estate of a deceased Trustee or former Trustee, and all other persons who handle funds or other property of the Fund for any purpose. This protection will be from companies and with limits determined by the Board.

Section 6. All checks, drafts, vouchers or other withdrawals of money from the Fund must be authorized in writing or countersigned by at least one Employer Trustee and one Employee Trustee.

Section 7. The Board of Trustees will maintain suitable and adequate records of and for the administration of the Fund and the Health and Welfare Plan. The Board may require the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee or any other beneficiary under the Plan to submit to it any information, data, report or documents reasonably relevant to and suitable for the purposes of Plan administration. However, neither the Union nor any affiliated local union will be required to submit membership lists. The parties agree that they will use their best efforts to secure compliance with any reasonable request of the Board for any information, data, report or documents. Upon receipt of a written request from the Board, an Individual Employer agrees to permit an auditor designated by the Board to enter upon the premises of that Individual Employer during business hours, at a reasonable time or times, not less than 2 working days after the request was made, to examine and copy books, records, papers or reports of that Individual Employer necessary to determine whether that Individual Employer is making full and prompt payment of all sums required to be paid by him or it to the Fund.

Any action to secure compliance with the provisions of this Section or any other provision of the Trust Agreement, to enforce the prompt payment of Contributions or any other sums owed to the Fund, or arising out of any dispute concerning the interpretation, application or enforcement of this Section or of any other provision of the Trust Agreement, must be brought and tried in a court of competent jurisdiction located in the City and County of San Francisco. Each party to any action expressly waives any right to change the venue of that action to any other county or to any other place.

Section 8. The books of account and records of the Board of Trustees, including the books of account and records pertaining to the Fund, are to be audited at least once each year by an independent qualified public accountant, engaged by the Board on behalf of all Plan participants, who will conduct an examination of any financial statements of the Fund and Health and Welfare

Plan, and of other books and records of the Fund and Health and Welfare Plan, as required by ERISA. A statement of the results of the annual audit will be available for inspection by interested persons at the principal office of the Fund and at any other suitable place designated by the Board. The Board will also make all other reports required by law.

Section 9. Compatible with equitable principles and to the extent that sound actuarial and accounting principles permit, the Board of Trustees may, by unanimous vote, coordinate its activities in the administration of the Fund and the Health and Welfare Plan with the administrative activities of the governing boards of trustees of other trust funds or health and welfare plans established for employees in the building and construction industry to the extent necessary or desirable to minimize costs, eliminate unnecessary bookkeeping and other expenses for the Individual Employers and avoid or eliminate duplicate Contributions or coverage for the same Employee.

The authority granted by this Section includes, without limitation, the authority to enter into agreements or other arrangements with any other boards of trustees or administrative boards providing for a joint administrative office, or for the performance of services by one board or plan for another board, or for the reciprocal exchange of funds or credits. The costs involved in the execution of any agreement or arrangement will be shared by the participating plans in proportion to the benefits received by the respective plans and, as near as may be practicable, the agreement or arrangement will be operated without profit or loss to any of the participating plans. Any sums received pursuant to this agreement or arrangement will be paid into and become a part of the Fund. If the agreement or arrangement is found to be or becomes inconsistent with the continuance of the existing status of the Fund for tax purposes or the deductibility of Contributions to the Fund and of benefits paid under the Health and Welfare Plan, the provision or provisions of the agreement or arrangement causing the inconsistency will become inoperative.

Section 10.

(A) The Board of Trustees may enter into an agreement with the board of trustees of any other health and welfare trust fund, which is established or maintained pursuant to a collective bargaining agreement covering employees in the building and construction industry, providing for the consolidation or merger of the Fund with other funds, upon any terms and conditions the Board determines, subject to the prior written approval of the agreement by the Employer and the Union, and may accept the transfer of monies, accounts, contracts, liabilities, property and any other investments or rights, provide for the payment of benefits and otherwise execute and carry out the terms of the agreement.

(B) In the event the Board of Trustees approves the consolidation or merger of the Fund as the acquiring Board, the Board of Trustees has the power to appoint an equal number of employer trustees and employee trustees from the existing board of trustees of the merging fund to the Board of Trustees. These trustees will serve at the discretion of the Board of Trustees and for as long as the Board of Trustees deems desirable.

Section 11. The Board of Trustees has established the Health and Welfare Plan, which consists of (A) the benefits provided by contracts and insurance policies, and (B) in the alternative or in connection with those contracts or policies, a written statement of benefits and rules and regulations which governs the direct payment of benefits from the Fund. The Board will promptly

use the monies available in the Fund first to provide for the direct payment of benefits specified in the Plan.

In the event that the Board elects to provide for the direct payment of any benefits, the detailed basis on which the payments are to be made will be set forth in a written statement, including any amendments or modifications, signed on behalf of the Board by the Chairman and Co-Chairman, and when signed will be a part of this Agreement for all purposes of the Labor-Management Relations Act, as amended, or of any other law or regulation. An accurate summary of benefits and the terms and conditions of the payment will be printed and made available to each Employee, retired Employee, and their beneficiaries who are eligible for any benefits.

ARTICLE V

Procedure of Board of Trustees

Section 1. The Board of Trustees will determine the time and place for regular periodic meetings of the Board. Either the Chairman or the Co-Chairman, or any 2 members of the Board, may call a special meeting of the Board by giving written notice to all other Trustees of the time and place of the meeting at least 5 days before the date set for the meeting. Any notice of a special meeting is sufficient if sent by ordinary mail or by wire addressed to the Trustee at his address shown in the records of the Board. Any meeting at which all Trustees are present, or concerning which all Trustees have waived notice in writing, will be a valid meeting without the giving of any notice.

Section 2. The Board will appoint a secretary to keep minutes or records of all meetings, proceedings and acts of the Board. The minutes need not be verbatim.

Section 3. The Board may not take any action or make any decision on any matter coming before it or presented to it for consideration or exercise any power or right given or reserved to it or conferred upon it by this Trust Agreement except upon the vote of a majority of the Trustees at a meeting of the Board duly and regularly called or except by the signed concurrence of all of the Trustees without a meeting.

In the event of the absence of any Employer Trustee from a meeting of the Board, the Employer Trustees present at the meeting may vote on behalf of the absent Employer Trustee and if the Employer Trustees cannot all agree as to how the vote of the absent Employer Trustee is to be cast then it will be cast as the majority of the Employer Trustees determine or, in the absence of a majority determination, it will be cast as the Employer Trustee Chairman or Co-Chairman of the Board determines. In the event of the absence of any Employee Trustee from a meeting of the Board, the Employee Trustees present at the meeting may vote on behalf of the absent Employee Trustee in the same manner as provided for the Employer Trustees to cast the vote of any absent Employer Trustee.

Section 4. All meetings of the Board will be held at the principal office of the Fund unless another place is designated by the Board.

Section 5. Upon any matter which may properly come before the Board of Trustees, the Board may act in writing, without a meeting, provided the action has the concurrence of all of the Trustees.

ARTICLE VI

General Provisions Applicable to Trustees

Section 1. The provisions of this Article are subject to and qualified by the provisions of ERISA to the extent that those provisions are constitutionally applicable. In order to induce experienced, competent and qualified persons and entities to serve as fiduciaries, to deal with the Fund and the Board of Trustees and to participate in other ways in the administration and operation of the Fund and Plan and to further the interests of the participants and beneficiaries of the Plan, it is the intent and purpose of the parties to provide for the maximum permissible protection and indemnification of those persons or entities from and against personal liability, loss, cost or expense as a result of their service, dealing or participation. Therefore, the provisions of this Article will be liberally construed and applied to accomplish this objective.

Section 2. No party who has verified that he or it is dealing with the duly appointed Trustees is obligated to see to the application of any money or property of the Fund, or to see that the terms of this Trust Agreement have been complied with, or to inquire as to the necessity or expediency of any act of the Trustees. Every instrument executed by the Board of Trustees or by its direction will be conclusive in favor of every person who relies on it, that (A) at the time of the delivery of the instrument this Trust Agreement was in full force and effect, (B) the instrument was executed in accordance with the terms and conditions of this Trust Agreement, and (C) the Board was duly authorized to execute the instrument or direct its execution.

Section 3. The duties, responsibilities, liabilities and limitations of any Trustee under this Trust Agreement are determined solely by the express provisions of the Trust Agreement and no further duties, responsibilities, liabilities or limitations will be implied or imposed.

Section 4. The Trustees will incur no liability, either collectively or individually, in acting upon any papers, documents, data or information believed by them to be genuine and accurate and to have been made, executed, delivered or assembled by the proper parties. The Trustees may delegate any of their ministerial powers or duties to any of their agents or employees. No Trustee will incur any liability for simple negligence, oversight or carelessness in connection with the performance of his duties as a Trustee. No Trustee is liable for the act or omission of any other Trustee. The Fund will exonerate, reimburse and save harmless the Trustees, individually and collectively, against any and all liabilities and reasonable expenses arising out of their trusteeship, except (as to the individual Trustee or Trustees directly involved) for expenses or liabilities arising out of willful misconduct or gross negligence. No expense will be deemed reasonable under this Section until it has been approved by the Board of Trustees.

Section 5.

(A) Except as otherwise provided in Subsection (B) of this Section, upon request of a Trustee, former Trustee, or the legal representative of a deceased Trustee or former Trustee, the Board of Trustees will provide for the defense of any civil action or proceeding brought against the Trustee, former Trustee or estate of a deceased Trustee or former Trustee, in his capacity as a Trustee or former Trustee or in his individual capacity, or in both, on account of any act or omission in the scope of his service or duties as a Trustee of the Fund. For the purposes of this Section, a cross-

action, counterclaim, cross-complaint or administrative or arbitration proceeding against a Trustee, former Trustee or his estate is deemed to be a civil action or proceeding brought against him or it.

(B) The Board of Trustees may refuse to provide for the defense of a civil action or proceeding brought against a Trustee, former Trustee or his estate if the Board determines that:

(1) The act or omission was not within the scope of his service as a Trustee of the Fund; or

(2) He acted or failed to act in breach of his fiduciary duty because of willful misconduct or gross negligence; or

(3) The defense of the action or proceeding by the Board would create a conflict of interest between the Board or the Fund and the Trustee, former Trustee or his estate.

(C) The Board of Trustees may provide for the defense of a criminal action brought against a Trustee or former Trustee if:

(1) The criminal action or proceeding is brought on account of an act or omission in the scope of his services or duties as a Trustee or former Trustee; and

(2) The Board determines that the defense would be in the best interests of the Fund and its participants and beneficiaries and that the Trustee or former Trustee acted, or failed to act, in good faith, without actual malice and in the apparent interests of the Fund and its participants and beneficiaries.

(D) The Board may provide for a defense pursuant to this Section by Fund counsel or co-counsel, by employing other counsel or by purchasing insurance which requires that the insurer provide the defense. All of the expenses of providing a defense pursuant to this Section are proper charges against the Fund. The Fund will have no right to recover these expenses from the Trustee, former Trustee or his estate.

(E) If the Board fails or refuses to provide a Trustee, former Trustee or his estate with a defense against a civil action or proceeding brought against him or it and the Trustee, former Trustee or legal representative retains his own counsel to defend the action or proceeding, he will be entitled to recover from the Fund reasonable attorney's fees, costs and expenses incurred by him in defending the action or proceeding if the action or proceeding arose out of an act or omission in the scope of his service or duties as a Trustee of the Fund, unless the Board establishes that the Trustee or former Trustee acted or failed to act in breach of his fiduciary duty because of willful misconduct or gross negligence.

Section 6. Neither the Employers, any Signatory Association, any Individual Employer, the Union, any affiliated local union nor any of the Trustees are responsible or liable for:

(A) The validity of this Trust Agreement or the Health and Welfare Plan;

(B) The form, validity, sufficiency, or effect of any contract or policy for health and welfare benefits which may be entered into by the Board;

(C) Any delay occasioned by any restriction or provision in this Trust Agreement, the Health and Welfare Plan, the rules and regulations of the Board of Trustees, any contract or policy procured in the course of the administration of the Fund, or by any other proper procedure in the administration of the Fund. However, this clause does not excuse any violation of the Collective Bargaining Agreement; or

(D) The making or retention of any deposit or investment of the Fund, the disposition of any investment, the failure to make any investment of the Fund, or any loss or diminution of the Fund, except any loss that may be due to the gross neglect or willful misconduct of a particular person.

Section 7. Neither the Employer, any Signatory Association, any Individual Employer, the Union, nor any affiliated local union will be liable in any respect for any of the obligations or acts of the Trustees because the Trustees are in any way associated with the Employer, any Signatory Association, Individual Employer, the Union, or any affiliated local union.

Section 8. In accordance the applicable laws and regulations, the Board of Trustees may provide for the reimbursement to the Trustees of expenses reasonably and actually incurred in the performance of their duties as Trustees, including attendance at educational or training conferences, institutes or other meetings relevant to their duties as authorized by the Board.

Section 9. Any Trustee who resigns or is removed from office must immediately turn over to the Chairman or Co-Chairman of the Board of Trustees at the principal office of the Fund any and all records, books, documents, money and other property in his possession or under his control which belong to the Fund or which were received by him in his capacity as a Trustee.

Section 10. The name of the Fund may be used to designate the Trustees collectively and all instruments may be effected by the Board of Trustees in the name of the Fund.

ARTICLE VII

Corporate Co-Trustee or Custodian

Section 1. A Corporate Co-Trustee or Custodian and any successor may be appointed by the Board of Trustees.

Section 2. The Corporate Co-Trustee or Custodian may not be a representative of either the Employer or the Union.

Section 3. The duties, responsibilities, rights, and powers of the Corporate Co-Trustee or Custodian are those delegated to it by the Board of Trustees and will be set forth in a contract between the Board and the Corporate Co-Trustee or Custodian. If so designated, the Corporate Co-Trustee or Custodian will act as a fiduciary.

ARTICLE VIII

Arbitration

Section 1. In the event that the Trustees deadlock on any matter arising in connection with the administration of the Fund or the Health and Welfare Plan, they will agree upon a neutral person to serve as an impartial umpire to decide the dispute. The Employer Trustees and the Employee Trustees may, by mutual agreement, select an equal number of representatives from their respective Trustee groups to sit with the umpire to constitute a Board of Arbitration. The decision of a majority of this Board of Arbitration is final and binding upon the Trustees, the parties and the beneficiaries of this Trust Agreement and the Plan. Otherwise, the decision of the impartial umpire is final and binding upon the Trustees, the parties and the beneficiaries of this Trust Agreement and the Plan.

Any matter in dispute and to be arbitrated must be submitted to the Board of Arbitration or the impartial umpire, in writing, and in making its or his decision, the Board of Arbitration or umpire is bound by the provisions of this Trust Agreement, the Health and Welfare Plan and the Collective Bargaining Agreement and has no authority to alter or amend the terms of any of those Agreements. If the Trustees cannot jointly agree upon a statement submitting the matter to arbitration, each Trustee group will prepare a written statement containing its version of the dispute and the question or questions involved. The decision of the Board of Arbitration or the impartial umpire will be available in writing within 10 days after the submission of the dispute.

Section 2. If no agreement on an impartial umpire is reached within 10 days, or within the time the Trustees mutually agree upon, on petition of either the Employee Trustees or the Employer Trustees, an umpire will be appointed by the United States District Court for the Northern District of California.

Section 3. The reasonable expenses of any arbitration, including any necessary court proceedings to secure the appointment of an umpire or the enforcement of the arbitration award (excluding the fees and expenses of witnesses called by the parties and the cost of any attorneys other than the Fund attorneys selected pursuant to Article IV, Section 4(D)), are a proper charge against the Fund. No expenses will be deemed reasonable under this Section until these expenses have been approved by the Board of Trustees.

Section 4. No matter in connection with the interpretation or enforcement of the Collective Bargaining Agreement is subject to arbitration under this Article. No matter which is subject to arbitration under this Article is subject to the grievance procedure or any other arbitration procedure provided in the Collective Bargaining Agreement.

ARTICLE IX

General Provisions

Section 1. Subject to the provisions of the Collective Bargaining Agreement, the rights and duties of all parties, including the Employer, the Signatory Associations, the Individual Employers, the Union, the affiliated local unions, the Employees, retired Employees, any other beneficiaries and the Trustees, are governed by the provisions of this Trust Agreement and the Health and Welfare Plan and any policies or contracts procured or executed pursuant to this Trust Agreement.

Section 2. No Employee, retired Employee or other beneficiary or person has any right or claim to benefits under the Plan other than as specified in the Plan.

Any claim to benefits under any policy or contract will be resolved by the appropriate insurance carrier or service organization according to that policy or contract, and the claimant will have no right or claim against the Fund or the Trustees.

Any claim to benefits from the Fund and any claim or right asserted under the Health and Welfare Plan or against the Fund, regardless of the basis asserted for the claim and regardless of when the act or omission upon which the claim is based, will be resolved by the Board of Trustees. The Board's decision with regard to the claim or right is final and binding upon all persons affected by the decision. The Board of Trustees has established a procedure for the presentation, consideration and determination of any claim or right, which complies with ERISA.

No action may be brought for benefits under the Health and Welfare Plan or to enforce any right or claim under the Plan or against the Fund until after the claim for benefits or other claim has been submitted to and determined by the Board in accordance with the established procedure. The only action which may be brought is one to enforce the decision of the Board or to clarify the rights of the claimant under that decision. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any local union, nor any of the Trustees are liable for the failure or omission, for any reason, to pay any benefits under the Health and Welfare Plan.

Section 3. Any notice required to be given under the terms of this Trust Agreement, the Health and Welfare Plan or the rules and regulations of the Board of Trustees is deemed to have been duly served if delivered personally in writing to the person to be notified, or if mailed in a sealed envelope, postage prepaid, to that person at his last known address as shown in the records of the Fund or if sent by wire to that person at his last known address.

Section 4. This Trust Agreement is binding upon and will inure to the benefit of all Individual Employers who are now or may become members of the Employer, any Signatory Association, and the heirs, executors, administrators, successors, purchasers and assigns of the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union and the Trustees.

Section 5. All questions pertaining to this Trust Agreement, this Trust Fund or the Health and Welfare Plan, and their validity, administration and construction, will be determined in accordance with the laws of the United States and any applicable laws of the State of California.

Section 6. If any provision of this Trust Agreement, the Health and Welfare Plan, the rules and regulations of the Board, or any step in the administration of the Fund or the Health and Welfare Plan is held to be illegal or invalid for any reason, that illegality or invalidity will not affect the remaining portions of this Trust Agreement, the Plan or the rules and regulations, unless the illegality or invalidity prevents accomplishment of the objectives and purposes of this Trust Agreement and the Plan. In the event this occurs, the parties will immediately commence negotiations to remedy any defect.

Section 7. Except to the extent necessary for the proper administration of the Fund or the Health and Welfare Plan, all books, records, papers, reports, documents or other information obtained with respect to the Fund or the Plan are confidential and will not be made public or used for any other purposes. Nothing in this Section prohibits the preparation and publication of statistical data and summary reports with respect to the operations of the Fund and the Plan.

Section 8. In the establishment and maintenance of the Health and Welfare Plan, and in the execution, amendment and implementation of this Trust Agreement, the Union acts for and on behalf of the Employees and as their collective bargaining representative and agent, and every agreement or act of the Union in connection with the establishment, maintenance and operation of the Fund or the Plan is deemed to be and is the agreement or act of the Employee, or Employees, concerned or affected by the agreement or action.

Section 9. In the establishment and maintenance of the Health and Welfare Plan, and in the execution, amendment and implementation of this Trust Agreement, the Employer acts for and on behalf of the Individual Employers who, at the time of the execution of this Trust Agreement are or who may become members of the Employer or any Signatory Association, and on behalf of any other Individual Employer who is required by the Collective Bargaining Agreement to make Contributions to the Fund or who in fact makes one or more Contributions to the Fund. Every agreement or act of the Employer in connection with the establishment, maintenance and operation of the Fund or the Plan is deemed to be and is the agreement or act of the Individual Employer, or Individual Employers, concerned or affected by the agreement or action.

Section 10. Any payment required by a decision of the Board is due and payable in the City and County of San Francisco and any action or proceeding to enforce or clarify a decision of the Board will be brought in a court of competent jurisdiction in that City and County. Any action or proceeding affecting the Fund or the Plan will be brought solely against the Fund as an entity, and solely by or on behalf of the claimant in the claims procedure described in Section 2 of this Article. Neither the Employer nor any Signatory Association or Individual Employer, the Union, any local union, any Employee, retired Employee, any beneficiary or other person is entitled to notice of this action or proceeding or to service of process. Any final judgment entered in any action or proceeding is binding upon all of the above named parties so long as the judgment does not attempt or purport to impose any personal liability upon or against any party not joined or not served in the action or proceeding.

Section 11. It is the intent and purpose of the parties that Contributions to the Fund are at all times deductible by the Individual Employers for income tax purposes in the taxable year when paid.

Moreover, it is the intent of the Employers and Union that any benefits paid to Employees, retired Employees, or beneficiaries will not be subject to taxes when received to the extent permitted by law.

It is further intended that this Trust Fund be tax exempt at all times. If any administrative or judicial ruling holds that any provision of this Trust Agreement or of the Health and Welfare Plan prevents or defeats the tax qualification of the Trust or any other objective stated in this Section, either under existing laws or regulations or under any laws or regulations subsequently enacted or adopted, or if for any reason it is necessary or desirable to amend this Trust Agreement or the Health and Welfare Plan to accomplish any stated objective, the parties will immediately enter into negotiations to amend this Trust Agreement or the Health and Welfare Plan. Any amendment will be effective, insofar as practicable, as of the effective date of this Trust Agreement or of the Health and Welfare Plan or as of the effective date of any law or regulation enacted or adopted.

ARTICLE X

Non-Member Employers

Section 1. Upon approval of the Board of Trustees, any Individual Employer who is not a member of or represented by the Employer or a Signatory Association but who is performing work coming within the jurisdiction of the Union may become a party to this Trust Agreement by executing in writing and depositing with the administrative office of the Board of Trustees his or its acceptance of the terms of this Trust Agreement, in a form acceptable to the Board.

Section 2. Any Individual Employer who executes and deposits a written acceptance, or who in fact makes one or more Contributions to the Fund with the approval of the Board of Trustees, assumes and is bound by all of the obligations imposed by this Trust Agreement upon the Individual Employer, is entitled to all rights under this Trust Agreement and is otherwise subject to it in all respects.

ARTICLE XI

Amendment and Termination

Section 1. The provisions of this Trust Agreement may be amended or modified at any time by mutual agreement of the Employer and the Union subject to the terms and conditions of the Collective Bargaining Agreement and any applicable law or regulation. Any amendment or modification of this Trust Agreement may be executed in counterpart.

Section 2. This Trust is irrevocable and the provisions of this Trust Agreement will continue in effect during the term of the Collective Bargaining Agreement, including any amendment, renewal or extension which provides for the continuation of payments into the Fund and Health and Welfare Plan.

Section 3. This Trust Agreement and Fund may be terminated by the Employer and the Union by a written instrument executed by mutual consent at any time, subject to the provisions of Section 4 of this Article. Upon the termination of the Trust, any money remaining in the Fund after the payment of all expenses and obligations of the Trust will be used for the continuance of one or more benefits of the type provided by the Health and Welfare Plan until the Fund is exhausted.

Section 4. In no event can any amendment or modification of this Trust Agreement, or the termination of this Trust Fund, result in any portion of the Fund revert to or be recoverable by the Employer, any Signatory Association, any Individual Employer, the Union or any affiliated local union, or result in the diversion of any portion of the Fund to any purpose other than the exclusive benefit of Employees, retired Employees or their beneficiaries under the Plan and the payment of the administrative expenses of the Fund and the Plan.

Section 5. In no event will the Trust established by this Trust Agreement continue for a longer period than is permitted by law.

Executed on this 19th day of November 2008, in San Francisco, California.

EMPLOYER:

Associated General Contractors of California, Inc.

By *signed* Thomas Holsman

UNION:

Northern California District Council of Laborers

By *signed* Jose Moreno

ACCEPTANCE OF OFFICE BY TRUSTEES

The undersigned accept office as Trustees appointed pursuant to the Trust Agreement and agree to act under and be subject to all of the terms and conditions of this Agreement. The undersigned declare that they hold the Fund created by this Agreement in trust for the uses and purposes set forth in this Agreement.

Dated: March 4, 1953

INITIAL EMPLOYER TRUSTEES

Harold O. Sjoberg
William F. Ames, Jr.
Gordon Pollock
Carl Lawrence
Ernest L. Clements

INITIAL EMPLOYEE TRUSTEES

Percy L. Ball
Lee Lalor
Ronald D. Wright
Charles Robinson
Stuart Scofield

SUBSTITUTION OF TRUSTEES

Changes in the composition of the Board of Trustees since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

CHANGES IN CONTRIBUTION RATE

Changes in the contribution rate since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

CHANGES IN CORPORATE CO-TRUSTEE OR CUSTODIAN

Changes in the Corporate Co-Trustee or Custodian since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

NOTES

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NOTES



LABORERS

PENSION

TRUST FUND

**LABORERS
PENSION TRUST FUND
FOR NORTHERN CALIFORNIA

BOARD OF TRUSTEES**

Employer Trustees

Byron C. Loney
Chairman

Robert Chrisp

Bill Koponen

Larry Nibbi

Manuel De Santiago

Employee Trustees

Oscar De La Torre
Co-Chairman

Doyle Radford

David Gorgas

Bruce Rust

Fernando Estrada

INDEX

LABORERS

PENSION TRUST FUND

FOR NORTHERN CALIFORNIA

	Page
Recitals.....	1
Article I Definitions	3
Article II Trust Fund	5
Article III Board of Trustees	8
Article IV Functions and Powers of Board of Trustees	9
Article V Procedure of Board of Trustees	16
Article VI General Provisions Applicable to Trustees	17
Article VII Corporate Co-Trustee or Custodian	20
Article VIII Arbitration.....	21
Article IX General Provisions	22
Article X Non-Member Employers.....	25
Article XI Amendment and Termination	26

**AMENDED AND RESTATED TRUST AGREEMENT
ESTABLISHING THE LABORERS PENSION
TRUST FUND FOR NORTHERN CALIFORNIA**

SEPTEMBER 2008

This TRUST AGREEMENT, which was entered into on August 2, 1963, by and between Northern and Central California Chapter, the Associated General Contractors of America, Inc., referred to as the “**Employer**,” and the Northern California District Council of Laborers AFL-CIO, referred to as the “**Union**,” recites and provides as follows:

Recitals:

1. The Employer, and other employer organizations signatory to this Trust Agreement, are parties to collective bargaining agreements with the Union, known respectively as the Laborers 46 Northern California Counties Master Agreement and Laborers 46 Northern California Counties Tunnel Master Agreement, which provide that each Individual Employer covered by these Master Agreements will contribute the amount specified in the Master Agreements to the Laborers Pension Trust Fund for Northern California for each hour paid for or worked by laborers employed by an Individual Employer.

2. In addition, various Individual Employers performing work within the area covered by the Master Agreements are now or will become parties to collective bargaining agreements with the Union requiring these Individual Employers to comply with the wages, hours and working conditions set forth in the Master Agreements, or providing for payments to a pension plan for Employees covered by collective bargaining agreements.

3. The parties have agreed that these Contributions are payable to and will be deposited in the Trust Fund created and established by this Trust Agreement.

4. Pursuant to the Master Agreements and other collective bargaining agreements, a Subcommittee was established upon which the Employer and the Union were equally represented and the Subcommittee negotiated the details of the Pension Plan referred to in the Master Agreements, including the details of the Trust established by this Trust Agreement.

5. Pending completion of the negotiations, the Subcommittee entered into an Escrow Agreement with Crocker-Anglo National Bank, dated October 2, 1962, providing for the payment of the Contributions coming due under the collective bargaining agreements for work on and after September 1, 1962, into an escrow account with the Bank, known as the Laborers Pension Plan for Northern California-Escrow Account, pending the preparation and execution of this Trust Agreement, and under the Escrow Agreement, Contributions have been paid by Individual Employers into that account.

6. The Trust Fund being created and the Pension Plan being implemented will, at all times, conform to the applicable requirements of the Labor-Management Relations Act of 1947, as amended, and the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and any other applicable laws, and be qualified pursuant to the applicable provisions of the Internal Revenue Code, as amended, for all available exemptions and immunities.

7. The Employer and the Union referred to in the Master Agreements have negotiated the following terms and provisions of the Trust Agreement governing the establishment and administration of the Laborers Pension Trust Fund for Northern California.

8. The purpose of this Trust Agreement is to provide for the establishment of the Trust Fund and for the maintenance of the Pension Plan in accordance with the terms of the collective bargaining agreements and this Trust Agreement.

9. Since the establishment of the Trust Fund, the Northern California Chapter and Central California Chapter, the Associated General Contractors of America, Inc., originally named as the “**Employer**,” were merged into the Associated General Contractors of California, Inc., which succeeded to all of the rights and obligations of the “**Employer**” and is now the entity referred to as the “**Employer**.” The name of the **Union** has also been changed to Northern California District Council of Laborers, Affiliated with the Laborers’ International Union of North America, AFL-CIO.

10. The Board of Trustees of the Laborers Rock, Sand and Gravel Pension Trust Fund approved the merger of that fund with the Laborers Pension Trust Fund for Northern California and the Board of Trustees of the Laborers Pension Trust Fund for Northern California is agreeable to the merger and the merger was acceptable to the Employer and the Union subject to the prior written approval by the Employer and the Union of the agreement effectuating the merger.

11. The Employer and the Union have agreed that this Trust Agreement is amended and restated to conform with all of the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and any valid regulations issued consistent with that Act.

Provisions:

In consideration of the foregoing, and of the mutual promises stated, the parties agree as follows:

ARTICLE I

Definitions

Unless the context or subject matter requires otherwise, the following definitions govern in this Trust Agreement.

Section 1. The term “Collective Bargaining Agreement” means (a) the Laborers 46 Northern California Counties Master Agreement dated June 27, 1962, including any amendment, extension or renewal; (b) the Laborers 46 Northern California Counties Tunnel Master Agreement, date June 27, 1962, including any amendment, extension or renewal; and (c) any other collective bargaining agreement between the Union, or any of its affiliated local unions, and any Individual Employer or employer organization, which provides for the making of Contributions to the Pension Fund.

Section 2. The term “Individual Employer” means any employer who is required by the Collective Bargaining Agreement to make Contributions to the Pension Fund or who in fact makes one or more Contributions to the Fund. The term “Individual Employer” also includes the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union is affiliated and any corporation, trust or other entity that provides services to the Fund or provides services in the training or retraining of laborers, which make Contributions to the Fund with respect to the work of its Employees under a Subscriber’s Agreement, which has been approved by the Board of Trustees, but only to the extent that the inclusion of these Employees is permitted by existing laws and regulations. The Union, affiliated local union, labor council, other labor organization, corporation, trust or other entity is an Individual Employer solely for the purposes of making Contributions to the Fund with respect to the work of its respective Employees and has no other rights or privileges under this Trust Agreement as an Individual Employer.

Section 3. The term “Employee” means any employee of an Individual Employer who performs one or more hours of work covered by the Collective Bargaining Agreement. The term “Employee” also includes: (a) employees of the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union is affiliated; and (b) employees of any corporation, trust or other entity that provides services to the Fund or provides services in the training and retraining of laborers but only to the extent that this inclusion is pursuant to regulations adopted by the Board of Trustees and is permitted by existing laws and regulations.

Section 4. The term “Signatory Association” means any employer organization, other than the Employer, which is a party to this Trust Agreement or the Master Agreements and signs on behalf of its members or executes on behalf of its members any agreement to be bound by the terms of this Trust Agreement or a written acceptance or authorization of this Trust Agreement or one of the Master Agreements.

Section 5. The term “Trustee” means any natural person designated as Trustee under Article III of this Trust Agreement.

Section 6. The term “Board of Trustees” or “Board” means the Board of Trustees established by this Trust Agreement.

Section 7. The term “Pension Fund” or “Fund” means the Trust Fund created and established by this Trust Agreement.

Section 8. The term “Pension Plan” or “Plan” means the Pension Plan established by the Collective Bargaining Agreement and this Trust Agreement, including any amendment, extension or renewal.

Section 9. The term “Trust Agreement” means this Agreement, including any amendment, extension or restatement.

Section 10. The term “Contribution” means the payment made or to be made to the Fund by an Individual Employer which is required by the Collective Bargaining Agreement.

Section 11. The term “affiliated local union” means any local union affiliated with the Union whose members perform work covered by the Master Agreements.

Section 12. The term “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any valid regulations issued consistent with that Act.

ARTICLE II

Trust Fund

Section 1. The Laborers Pension Trust Fund for Northern California consists of all Contributions required by the Collective Bargaining Agreement to be made for the establishment and maintenance of the Pension Plan, including all interest, income and other returns of any kind.

Section 2. The Fund's principal office is in the City and County of San Francisco, California or any other place designated by the Board of Trustees.

Section 3. Contributions to the Fund do not constitute nor are they deemed to be wages due to the Employees. No Employee is entitled to receive any part of the Contributions made or required to be made to the Fund in lieu of the benefits provided by the Pension Plan.

Section 4. The Fund will be administered by the Board of Trustees for the exclusive benefit of the Employees, retired Employees and their beneficiaries consistent with the provisions of the Pension Plan. Notwithstanding anything to the contrary contained in this Trust Agreement or in the Plan, including any amendment, extension or renewal, no portion of the Fund can at any time revert to, or be recoverable by, the Employer, any Signatory Association, any Individual Employer, the Union or any affiliated local union, or be used for, or diverted to, purposes other than for the exclusive benefit of the Employees, retired Employees or their beneficiaries under the Plan, and the payment of the administrative expenses of the Fund and the Plan, except for Contributions which may be refunded to an Individual Employer under applicable law.

Section 5. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee, any retired Employee, any beneficiary under the Pension Plan, nor any other person has any right, title or interest in or to the Fund other than as specifically provided in this Trust Agreement or the Plan. Neither the Fund nor any Contributions to the Fund will be in any manner liable for or subject to the debts, contracts or liabilities of the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee, any retired Employee, or any beneficiary.

Section 6. Neither the Employer or any Signatory Association, nor any officer, agent, employee or committee member of the Employer or any Signatory Association, will be liable for making Contributions to the Fund or be under any other liability to the Fund or to the Pension Plan, except to the extent that he or it may be an Individual Employer required to make Contributions to the Fund with respect to his or its own individual or joint venture operations, or to the extent he may incur liability as a Trustee. The liability of any Individual Employer to the Fund or to the Pension Plan is limited to the payments required by the Collective Bargaining Agreement with respect to his or its individual or joint venture operations and in no event is he or it liable or responsible for any portion of the Contributions due from other Individual Employers with respect to the operations of those Individual Employers. The basis on which payments are made to the Fund is specified in the Collective Bargaining Agreement, Subscriber's Agreement and this Trust Agreement. The Individual Employers will not be required to make any further payments or Contributions to the cost of the operation of the Fund or the Plan, except as may be provided in those Agreements.

Section 7. Each Employee, retired Employee or beneficiary under the Pension Plan is restrained from selling, transferring, anticipating, assigning, alienating, hypothecating or otherwise disposing of his pension, prospective pension or any other right or interest under the Plan. The Board of Trustees will not recognize, or be required to recognize, any sale, transfer, anticipation, assignment, alienation, hypothecation or other disposition. Any pension, prospective pension, right or interest will not be subject in any manner to voluntary transfer or transfer by operation of law or otherwise, and is exempt from the claims of creditors or other claimants and from all orders, decrees, garnishments, executions or other legal or equitable process or proceedings to the fullest extent permitted by law. However, the Board of Trustees may adopt rules and regulations allowing any retired Employee, and any surviving spouse while entitled to receive a pension, to direct a portion of the pension due him or her to be paid to the Laborers Health and Welfare Trust Fund for Northern California to defray all or part of the cost of benefits to be provided to him or her by that fund and will make payments when so directed.

The Board will adopt and prescribe reasonable rules and regulations for the implementation of the qualified domestic relations order provisions of ERISA, the Internal Revenue Code and the Retirement Equity Act of 1984.

Section 8. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, nor any Employee, or retired Employee, will be liable or responsible for any debts, liabilities or obligations of the Fund or the Trustees.

Section 9. Contributions to the Fund are due commencing September 1, 1962, for work on or after that date and are payable in San Francisco, California, in regular monthly installments starting on or before October 15, 1962 and continuing from month to month, subject to the provisions of the Collective Bargaining Agreement. The Contribution payable on or before October 15, 1962, included all amounts which accrued for work performed during the period from September 1, 1962, up to the close of the Individual Employer's payroll period ending closest to the last day of that month. Each subsequent monthly Contribution must include all amounts which have accrued in the interim for work performed up to the close of the Individual Employer's payroll period ending closest to the last day of the preceding calendar month. Each monthly Contribution must be accompanied by a report in a form prescribed by the Board of Trustees. The rate of contribution paid by the Union, or any affiliated local union, pursuant to regulations adopted by the Board of Trustees, cannot be less than the rate of contribution required by the Collective Bargaining Agreement.

Section 10. Each Contribution to the Fund must be made promptly, but in no event later than the 25th day of the calendar month in which it is due, on which date the Contribution, if not paid in full, is delinquent. If any Individual Employer fails to make his or its monthly Contribution in full on or before the 25th day of the month on 4 occasions within any 12-month period, the Board of Trustees may provide by resolution that, during the 12-month period immediately following the resolution, the 15th day of the month is the delinquency date for that Individual Employer.

The Employer and Union recognize and acknowledge that the regular and prompt payment of Contributions to the Fund is essential to the maintenance of the Pension Plan and have considered all pertinent factors bearing on the problem of Individual Employer delinquencies, including, without limitation, (1) the cost to the Fund of collection activities made necessary by those delinquencies, (2) the losses to the Fund resulting from the failure of delinquent Individual Employers to file reports

of Contributions at a time when money to pay Contributions is available, (3) the delay in and increased cost of making benefit payments to Employees due to delinquent Individual Employer reports and Contributions, and (4) the adverse effect of Individual Employer delinquencies upon the willingness of all other employers to make regular and prompt payments to the Fund. The Employer and the Union have concluded that it remains extremely difficult, if not impracticable, to fix the actual expense and damage to the Fund and the Pension Plan, which results from the failure of an Individual Employer to pay the monthly Contributions in full within the time provided in the Trust Agreement. Furthermore, the Employer and the Union have estimated that the cost and damage to the Fund is significant and that it would aid in the solution of the problem of Individual Employer delinquencies if the Trust Agreement provide: (1) that the cost and damages will be payable by the delinquent Individual Employers to the Fund as liquidated damages and not as a penalty, effective for Contributions due for work performed on or after November 1, 2002; (2) that the Board of Trustees be granted authority to amend the liquidated damages and interest provisions applicable to delinquent Contributions; and (3) that any adjustments made by the Board of Trustees to the liquidated damages and interest provisions reflect the administrative and collection costs associated with the delinquent Contributions owed to the Fund. Therefore, the Employer and Union and any party signatory to the Collection Bargaining Agreement authorize the Board of Trustees to set or amend the liquidated damages and interest provisions applicable to delinquent Contributions. Any adjustments implemented by the Board of Trustees will reflect the administrative and collections costs associated with the delinquent Contributions due to the Trust Fund.

These amounts as determined by the Board will become due and payable to the Fund as liquidated damages and not as a penalty, in San Francisco, California, upon the day immediately following the date on which the Contributions become delinquent and in addition to any delinquent Contributions. The Contributions as increased are the amount required to be paid to the Fund.

ARTICLE III

Board of Trustees

Section 1. The Fund is administered by a Board of Trustees which consists of 5 Trustees representing the Individual Employers and 5 Trustees representing the Employees. The Trustees representing the Individual Employers are appointed in a writing signed by the Employer, who is irrevocably designated by each Individual Employer as his or its attorney-in-fact for the purpose of appointing and removing Trustees and successor Trustees. The Trustees representing the Employees are appointed by the Union in a writing signed by the Executive Officer of the Union.

The Employer and the Union expressly designate the Trustees jointly as named fiduciaries, who have the exclusive authority and discretion acting as the Board of Trustees to control and manage the operation and administration of the Fund and the Plan. Each of the Trustees expressly accepts designation as a fiduciary and as Trustee by written acceptance and signature of this Trust Agreement and assumes the duties, responsibilities and obligations of the Trustees created and established by this Trust Agreement and under applicable law. Any successor Trustee will also sign the Trust Agreement or a written acceptance in a form approved by and filed with the Board of Trustees.

Section 2. The Trustees agree to select one person to act as Chairman of the Board of Trustees and one to act as Co-Chairman, each to serve for a period of time determined by the Board. When the Chairman is selected from among the Employer Trustees, the Co-Chairman will be selected from among the Employee Trustees, and vice versa.

Section 3. Each Trustee will serve until his death, resignation or removal from office.

Section 4. A Trustee may resign at any time by serving written notice of his resignation upon the Secretary of the Board of Trustees at least 30 days prior to the date on which his resignation is to be effective. The Secretary will promptly notify, in writing, the Chairman and Co-Chairman of the Board and the Employer and Union of the Trustee's resignation.

Section 5. Any Employer Trustee may be removed from office at any time, for any reason, by a writing signed by the Employer and served on the Secretary of the Board of Trustees. Any Employee Trustee may be removed from office at any time, for any reason, by a writing signed by the Executive Officer of the Union and served on the Secretary of the Board of Trustees. The Secretary will promptly notify, in writing, the Chairman and Co-Chairman of the Board, the Trustee being removed, and the Union or Employer of the removal.

Section 6. If an Employer Trustee dies, resigns or is removed from office, a successor Trustee will be promptly appointed in a writing signed by the Employer. If an Employee Trustee dies, resigns or is removed from office, a successor Trustee will be promptly appointed in a writing signed by the Executive Officer of the Union.

ARTICLE IV

Functions and Powers of Board of Trustees

Section 1. The Board of Trustees acting jointly has the power to control and manage the assets, operation and administration of the Fund and the Plan as a fiduciary and is required to exercise that authority with the care, skill, prudence and diligence under the prevailing circumstances that a prudent board acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of like character and with like aims. The Board has the authority to:

(A) Appoint an investment manager or managers (as defined by ERISA) to manage (including the power to acquire and dispose of) any assets of the Fund;

(B) Enter into an agreement allocating among Trustees the specific responsibilities, obligations, or duties as the Board determines;

(C) Designate persons other than named fiduciaries to carry out fiduciary responsibilities (other than Trustee responsibilities) under this Trust Agreement or the Plan; and

(D) Employ one or more persons to provide advice with regard to any responsibility the Board has under this Trust Agreement or Plan.

Any person or entity appointed, designated or employed by the Board agrees to act solely in the interests of the participants and beneficiaries of the Fund and the Plan.

The detailed basis on which pension benefits are paid will be set forth in writing and designated as the Pension Plan of the Laborers Pension Trust Fund for Northern California. The Board of Trustees expressly reserves the right, in its sole discretion, at any time, to amend or modify the Pension Plan, except that no amendment or modification may reduce any benefit payable to Employees who retire prior to the amendment or modification so long as funds are available for payment of those benefits. Any amendment or modification of the Pension Plan must be in writing and signed by the Chairman and Co-Chairman of the Board.

Section 2. All Contributions to the Fund are due and payable in San Francisco, California and must be paid to, received and held by the Fund subject to the terms and provisions of this Trust Agreement. The acceptance and cashing of any checks for Contributions, and the disposition of monies covered in accordance with this Trust Agreement, will not release or discharge the Individual Employer from his or its obligation under the Collective Bargaining Agreement for hours paid or worked for which no Contributions have actually been received, notwithstanding any statement, restriction or qualification appearing on the check or any attachment to the check.

The Board of Trustees may direct that any check may be a single check covering monies payable to one or more funds and may join with the boards of trustees of other funds in instructing the bank or banks with regard to the allocation of the monies covered by the check among the funds. In the event these instructions are given, they are binding upon the bank or banks, the Individual Employer, the Employees, the Employer, the Union and all other parties.

Section 3. The Board of Trustees has the power in the name of the Fund, or jointly with other funds, as in its discretion may be deemed necessary or desirable, to demand and enforce, by suit, in court or otherwise, the prompt payment of Contributions to the Fund, including payments due to delinquencies as provided in Article II, Section 10, without being limited or restricted by any grievance or arbitration procedures provided in the Collective Bargaining Agreement. In addition, the Board has the right to assert and enforce all priorities, lien rights, and other claims or rights with respect to any Contributions or payments belonging to this Trust Fund or any of its participants and beneficiaries, including the right to file priority and other claims in bankruptcy.

If any Individual Employer defaults in the making of Contributions or payments and if the Board consults legal counsel, or files any suit or claim, there will be added to the obligation of the Individual Employer who is in default, reasonable attorney's fees, costs and all other reasonable expenses incurred in connection with the suit or claim, including any appellate proceedings.

Section 4. Without limitation of the provisions of Section 1 of this Article, the Board of Trustees has the power to:

(A) Pay out of the Fund the reasonable expenses incurred in the establishment of the Fund and the Plan;

(B) Establish and accumulate reserve funds as may be adequate to provide for administrative expenses and other obligations of the Fund, including the maintenance of the Pension Plan;

(C) Provide a procedure for establishing and carrying out a funding policy and method consistent with the objectives of the Pension Plan and the requirements of ERISA;

(D) Employ or engage executive, consulting, actuarial, accounting, administrative, clerical, secretarial, legal or other employees, assistants or advisors, as necessary, to administer the Fund and the Pension Plan and pay out of the Fund the compensation and necessary expenses of these employees, assistants or advisors and the cost of office space, furnishings and supplies and other essentials required in the administration of the Fund. If the Board is unable to agree upon the employment of either a consultant-actuary or an attorney, the Employer Trustees and the Employee Trustees may each select either a consultant-actuary or an attorney, or both, who are directed to act jointly in connection with the administration of the Fund, and the reasonable cost of the advice or services will be paid from the Fund. The Board will engage an independent qualified public accountant and an enrolled actuary on behalf of all Plan participants as required by ERISA;

(E) Incur and pay out of the Fund any other expenses reasonably incidental to the administration of the Fund or the Pension Plan;

(F) Compromise, settle, or release claims or demands in favor of or against the Fund on any terms and conditions the Board may deem desirable, including the power to continue, maintain and from time to time modify or revoke, in whole or in part, a policy or procedure for the waiver of all or part of the liquidated damages portion of any Contribution upon any terms and conditions the Board determines would be in the interests of the Fund and its participants and beneficiaries. However, this clause will not excuse any violation of the Collective Bargaining Agreement;

(G) Invest and reinvest the assets of the Fund in accordance with all applicable laws if no investment manager is designated and appointed by the Board. Investments may be made with a bank or other fiduciary to the fullest extent permitted by law. No indicia of ownership will be maintained outside the jurisdiction of the district courts of the United States, except to the extent permitted by law;

(H) Enter into contracts or policies in its own name or in the name of the Fund; terminate, modify or renew any contracts or policies subject to the provisions of the Pension Plan and the Trust Agreement; and exercise and claim all rights and benefits granted to the Board or the Fund by any contracts or policies;

(I) Pay all or part of the benefits provided in the Pension Plan to the persons entitled to benefits under the Plan and in accordance with the terms and provisions of the Plan and Trust Agreement;

(J) Purchase, sell, exchange, lease, convey, mortgage or otherwise dispose of or acquire, any property, real, personal or mixed, on any terms the Board may deem proper, and execute and deliver any and all instruments of conveyance or transfer;

(K) Borrow money; encumber or hypothecate real or personal property by mortgage, deed of trust (with power of sale), contract of sale, security agreement, pledge or otherwise; borrow money on the credit of the trust estate; and purchase real or personal property subject to, and assume the obligation secured by a mortgage, deed of trust (with power of sale), contract of sale, security agreement, pledge or otherwise;

(L) Construe the provisions of this Trust Agreement and the Plan and any construction adopted by the Board in good faith is binding upon any and all affected parties or persons;

(M) Pay any and all real or personal property taxes, income taxes, or other taxes or assessments of any or all kinds levied or assessed upon the Fund or the Pension Plan;

(N) Prepare periodic reports, descriptions, summaries and other information required by law or as the Board in its discretion deems necessary or appropriate, and file and furnish those reports descriptions, summaries and information to participants and their beneficiaries, the Union or its affiliated local unions, the Employer and Individual Employers, the Trustees or other persons or entities, including governmental agencies, as required by law or as deemed necessary by the Board;

(O) Maintain a bank account or bank accounts as necessary or advisable in the administration of the Fund or the Pension Plan, and designate the person or persons authorized to sign checks and withdrawal orders on those accounts;

(P) Adopt and prescribe reasonable rules and procedures, which are consistent with the provisions of this Trust Agreement and the Pension Plan, governing the reporting of Contributions, the entitlement to benefits, the method of applying for benefits, and any and all other matters in connection with the Fund and the Plan;

(Q) Invest in group or collective investment trusts or investment companies; to the extent required by the provisions of any common or collective investment trust which has been qualified

under Section 401(a) and is exempt under Section 501(a) of the Internal Revenue Code of 1986, as amended, the terms of the agreement or declaration of trust establishing that collective trust fund are incorporated into this Trust and any assets invested in that collective trust fund will be held, invested and administered in accordance with that agreement or declaration of trust; and

(R) Exercise and perform any and all of the other powers and duties specified in this Trust Agreement or the Pension Plan.

Section 5. The Board of Trustees will provide at the expense of the Fund, where and to the extent permissible by applicable law, insurance and bonding protection for the Fund and for each Trustee, former Trustee or estate of a deceased Trustee or former Trustee, and all other persons who handle funds or other property of the Fund for any purpose. This protection will be from companies and with limits determined by the Board.

Section 6. All checks, drafts, vouchers or other withdrawals of money from the Fund must be authorized in writing or countersigned by at least one Employer Trustee and one Employee Trustee.

Section 7. The Board of Trustees will maintain suitable and adequate records of and for the administration of the Fund and the Pension Plan. The Board may require the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee or any other beneficiary under the Plan to submit to it any information, data, report or documents reasonably relevant to and suitable for the purposes of Plan administration. However, neither the Union nor any affiliated local union will be required to submit membership lists. The parties agree that they will use their best efforts to secure compliance with any reasonable request of the Board for any information, data, report or documents. Upon receipt of a written request from the Board, an Individual Employer agrees to permit an auditor designated by the Board to enter upon the premises of that Individual Employer during business hours, at a reasonable time or times, not less than 2 working days after the request was made, to examine and copy books, records, papers or reports of that Individual Employer necessary to determine whether that Individual Employer is making full and prompt payment of all sums required to be paid by him or it to the Fund.

Any action to secure compliance with the provisions of this Section or any other provision of this Trust Agreement, to enforce the prompt payment of Contributions or any other sums owed to the Fund, or arising out of any dispute concerning the interpretation, application or enforcement of this Section or of any other provision of the Trust Agreement, must be brought and tried in a court of competent jurisdiction located in the City and County of San Francisco. Each party to any action expressly waives any right to change the venue of that action to any other county or to any other place.

Section 8. The books of account and records of the Board of Trustees, including the books of account and records pertaining to the Fund, are to be audited at least once each year by an independent qualified public accountant, engaged by the Board on behalf of all Plan participants, who will conduct an examination of any financial statements of the Fund and the Pension Plan, and of other books and records of the Fund and Pension Plan, as required by ERISA. A statement of the results of the annual audit will be available for inspection by interested persons at the principal office

of the Fund and at any other suitable place designated by the Board. The Board will also make all other reports required by law.

Section 9. Compatible with equitable principles and to the extent that sound actuarial and accounting principles permit, the Board of Trustees may, by unanimous vote, coordinate its activities in the administration of the Fund and the Pension Plan with the administrative activities of the governing boards of trustees of other trust funds or pension plans established for employees in the building and construction industry to the extent necessary or desirable to minimize costs, eliminate unnecessary bookkeeping and other expenses for the Individual Employers and avoid or eliminate duplicate Contributions or benefits for the same Employee.

The authority granted by this Section includes, without limitation, the authority to enter into agreements or other arrangements with any other boards of trustees or administrative boards providing for a joint administrative office, or for the performance of services by one board or plan for another board, or for the reciprocal exchange of funds or credits. The costs involved in the execution of any agreement or arrangement will be shared by the participating plans in proportion to the benefits received by the respective plans and, as near as may be practicable, the agreement or arrangement will be operated without profit or loss to any of the participating plans. Any sums received pursuant to the agreement or arrangement will be paid into and become a part of the Fund. If the agreement or arrangement is found to be or becomes inconsistent with the continuance of the existing status of the Fund for tax purposes or the deductibility of Contributions to the Fund and of benefits paid under the Pension Plan, the provision or provisions of the agreement or arrangement causing the inconsistency will become inoperative.

Section 10.

(A) The Board of Trustees may enter into an agreement with the board of trustees of any other pension trust fund, which is established or maintained pursuant to a collective bargaining agreement for employees in the building and construction industry, providing for the consolidation or merger of the Fund with other funds, upon any terms and conditions the Board determines, subject to prior written approval of the agreement by the Employer and the Union, and may accept the transfer of monies, accounts, contracts, liabilities, property and any other investments or rights, provide for the payment of benefits and otherwise execute and carry out the terms of the agreement.

(B) In the event the Board of Trustees approves the consolidation or merger of the Fund as the acquiring Board, the Board of Trustees has the power to appoint an equal number of employer trustees and employee trustees from the existing board of trustees of the merging fund to the Board of Trustees. These trustees will serve at the discretion of the Board of Trustees and for as long as the Board of Trustees deems desirable.

Section 11. The Board of Trustees has the power and authority to enter into an agreement with the Board of Trustees of the Laborers Rock, Sand and Gravel Pension Trust Fund providing for the merger, consolidation or amalgamation of that fund with the Laborers Pension Trust Fund for Northern California, upon terms and conditions determined by the Board, subject to the prior written approval of the agreement by the Employer and the Union, and to accept the transfer of funds, provide for the payment of benefits and otherwise execute and carry out the terms of the agreement.

Section 12. Subject to and within the limitations of ERISA and any other applicable law or regulation, and subject to the other provisions of this Trust Agreement, the Board of Trustees has the authority, acting through an investment manager or managers appointed under Section 1 of this Article, to participate in one or more foundations or organizations of pension trusts interested in participating in real estate investments, or any successors, including the adoption of group trusts as a part of the trust and plan administered by this Board to the extent required by the Internal Revenue Code, including any applicable rulings or regulations as a condition of qualified or tax exempt status.

Section 13.

(A) The Board of Trustees may establish and maintain a defined contribution plan, to be known as the Laborers Annuity Plan for Northern California, which is funded separately from the Pension Plan and is separate and apart from that Plan, except to the extent provided in this Section.

(B) The Annuity Plan is funded by the Laborers Annuity Trust Fund for Northern California, which is established and consists of all Contributions required by the Collective Bargaining Agreement to be made for the establishment and maintenance of the Annuity Plan, including all interest, income or other returns, and any other money or property received or held for the uses and purposes of the Annuity Plan.

(C) The Employer and the Union expressly designate the Trustees of the Pension Fund jointly as named fiduciaries, who have exclusive authority and discretion acting as the Board of Trustees to control and manage the assets, operation and administration of the Annuity Fund and the Annuity Plan.

(D) The Annuity Plan established pursuant to this Section, will set forth in detail and will be the basis on which annuity benefits are to be paid. The Board of Trustees may at any time, and from time to time, amend or modify the Annuity Plan, except that no amendment or modification may reduce any benefits payable to Employees who retire prior to the amendment or modification so long as funds are available for payment of benefits. In no event can any amendment or modification of the Annuity Plan cause or result in any portion of the Annuity Fund reverting to, or being recoverable by, the Employer, any Signatory Association, any Individual Employer, the Union, or any affiliated local union, or cause or result in the diversion of any portion of the Annuity Fund to any purpose other than the exclusive benefit of participants and their beneficiaries under the Annuity Plan, the payment of the administrative expenses of the Annuity Fund and the Annuity Plan and the refund of Individual Employer Contributions as permitted by applicable law.

(E) It is the intent and purpose of the parties to this Trust Agreement that Contributions to the Annuity Fund be at all times deductible by the Individual Employers for income tax purposes in the taxable year when paid, that benefits to participants and beneficiaries be at all times taxable to them, if at all, only in the year benefits are distributed or made available to participants or beneficiaries and that the Trust created be at all times tax exempt. Application for the qualification of the Trust created by this Section under the Internal Revenue Code has been made, and the parties and the Board of Trustees agree to do whatever may be necessary to maintain this qualification. If any administrative or judicial ruling holds that any provisions of this Section or of the Annuity Plan prevents or defeats the qualification of the Trust or any other objective stated in this Section, either under current laws or regulations or under any laws or regulations subsequently enacted or adopted, or if for any reason it becomes necessary or desirable to amend this Section or the Annuity Plan to

accomplish this objective, the parties will enter into negotiations with regard to the amendment of this Section or the Annuity Plan to accomplish this qualification or other objective, and any amendment will be effective, insofar as practicable, as of the effective date of this Section or of the Annuity Plan or as of the effective date of any law or regulation which was enacted or adopted, as the case may require.

(F) Subject to the qualifications provided in this Section, all of the provisions of this Trust Agreement with respect to the Pension Fund and the Pension Plan apply to and govern the Annuity Fund and the Annuity Plan and the responsibility and authority of the Board of Trustees with respect to the Annuity Fund and the Annuity Plan.

Section 14.

(A) The Board of Trustees may establish and maintain an excess benefit plan known as the Laborers Pension Plan for Northern California Excess Benefit Plan.

(B) The purpose of this Plan is to use Contributions received solely for (1) providing benefits for certain employees in excess of the limitations imposed by Section 415 of the Internal Revenue Code of 1986 on the benefits provided by the Laborers Pension Plan for Northern California, and (2) defraying reasonable expenses of administration, including payment of employment taxes based on non-exempt wages.

(C) The Employer and the Union expressly designate the Trustees of the Pension Fund jointly as named fiduciaries, who have exclusive authority and discretion acting as the Board of Trustees to control and manage the assets, operation and administration of the Excess Benefit Plan.

(D) The Plan established by the Section will set forth the basis on which benefits are to be paid. The Board of Trustees may at any time, and from time to time, amend or modify the Plan. In no event will any amendment or modification of the Plan cause or result in any portion of the Contributions reverting to, or be recoverable by, the Employer, any Signatory Association, any Individual Employer, the Union, or any affiliated local union, or cause or result in the diversion of any portion of the Contributions to any purpose other than the exclusive benefit of participants and their beneficiaries under the Excess Benefit Plan, the payment of the administrative expenses of the Plan and the refund of Individual Employer Contributions as permitted by applicable law.

(E) Subject to the qualifications provided in this Section, all of the provisions of this Trust Agreement with respect to the Pension Fund and the Pension Plan apply to and govern the Excess Benefit Plan and the responsibility and authority of the Board of Trustees with respect to the Excess Benefit Plan.

ARTICLE V

Procedure of Board of Trustees

Section 1. The Board of Trustees will determine the time and place for regular periodic meetings of the Board. Either the Chairman or the Co-Chairman, or any 2 members of the Board, may call a special meeting of the Board by giving written notice to all other Trustees of the time and place of the meeting at least 5 days before the date set for the meeting. Any notice of a special meeting is sufficient if sent by ordinary mail or by wire addressed to the Trustee at his address as shown in the records of the Board. Any meeting at which all Trustees are present, or concerning which all Trustees have waived notice in writing, will be a valid meeting without the giving of any notice.

Section 2. The Board will appoint a secretary to keep minutes or records of all meetings, proceedings and acts of the Board. The minutes need not be verbatim.

Section 3. The Board may not take any action or make any decision on any matter coming before it or presented to it for consideration or exercise any power or right given or reserved to it or conferred upon it by this Trust Agreement, except upon the vote of a majority of the Trustees at a meeting of the Board duly and regularly called or except by the signed concurrence of all of the Trustees without a meeting.

In the event of the absence of any Employer Trustee from a meeting of the Board, the Employer Trustees present at the meeting may vote on behalf of the absent Employer Trustee and if the Employer Trustees cannot all agree as to how the vote of the absent Employer Trustee is to be cast then it will be cast as the majority of the Employer Trustees determine, or in the absence of a majority determination, it will be cast as the Employer Trustee Chairman or Co-Chairman of the Board determines. In the event of the absence of any Employee Trustee from a meeting of the Board, the Employee Trustees present at the meeting may vote on behalf of the absent Employee Trustee in the same manner as provided for the Employer Trustees to cast the vote of any absent Employer Trustee.

Section 4. All meetings of the Board will be held at the principal office of the Fund unless another place is designated by the Board.

Section 5. Upon any matter which may properly come before the Board of Trustees, the Board may act in writing, without a meeting, provided the action has the concurrence of all of the Trustees.

ARTICLE VI

General Provisions Applicable to Trustees

Section 1. The provisions of this Article are subject to and qualified by the provisions of ERISA to the extent that those provisions are constitutionally applicable. In order to induce experienced, competent and qualified persons and entities to serve as fiduciaries, to deal with the Fund and the Board of Trustees and to participate in other ways in the administration and operation of the Fund and Plan and to further the interests of the participants and beneficiaries of the Plan, it is the intent and purpose of the parties to provide for the maximum permissible protection and indemnification of those persons or entities from and against personal liability, loss, cost or expense as a result of any service, dealing or participation. Therefore, the provisions of this Article will be liberally construed and applied to accomplish this objective.

Section 2. No party who has verified that he or it is dealing with the duly appointed Trustees is obligated to see to the application of any money or property of the Fund, or to see that the terms of this Trust Agreement have been complied with, or to inquire as to the necessity or expediency of any act of the Trustees. Every instrument executed by the Board of Trustees or by its direction will be conclusive in favor of every person who relies on it, that (A) at the time of the delivery of the instrument this Trust Agreement was in full force and effect, (B) the instrument was executed in accordance with the terms and conditions of this Trust Agreement, and (C) the Board was duly authorized to execute the instrument or direct its execution.

Section 3. The duties, responsibilities, liabilities and limitations of any Trustee under this Trust Agreement are determined solely by the express provisions of this Trust Agreement and no further duties, responsibilities, liabilities or limitations will be implied or imposed.

Section 4. The Trustees will incur no liability, either collectively or individually, in acting upon any papers, documents, data or information believed by them to be genuine and accurate and to have been made, executed, delivered or assembled by the proper parties. The Trustees may delegate any of their ministerial powers or duties to any of their agents or employees. No Trustee will incur any liability for simple negligence, oversight or carelessness in connection with the performance of his duties as a Trustee. No Trustee will be liable for the act or omission of any other Trustee. The Fund will exonerate, reimburse and save harmless the Trustees individually and collectively, against any and all liabilities and reasonable expenses arising out of their trusteeship, except (as to the individual Trustee or Trustees directly involved) for expenses or liabilities arising out of willful misconduct or gross negligence. No expense is deemed reasonable under this Section until it has been approved by the Board of Trustees.

Section 5.

(A) Except as otherwise provided in Subsection (B) of this Section, upon request of a Trustee, former Trustee, or the legal representative of a deceased Trustee or former Trustee, the Board of Trustees will provide for the defense of any civil action or proceeding brought against the Trustee, former Trustee or estate of a deceased Trustee or former Trustee, in his capacity as a Trustee or former Trustee or in his individual capacity, or in both, on account of any act or omission in the scope of his service or duties as a Trustee of the Fund. For the purposes of this Section, a cross-

action, counterclaim, cross-complaint or administrative or arbitration proceeding against a Trustee, former Trustee or his estate is deemed to be a civil action or proceeding brought against him or it.

(B) The Board of Trustees may refuse to provide for the defense of a civil action or proceeding brought against a Trustee, former Trustee or his estate if the Board determines that:

(1) The act or omission was not within the scope of his service as a Trustee of the Fund; or

(2) He acted or failed to act in breach of his fiduciary duty because of willful misconduct or gross negligence; or

(3) The defense of the action or proceeding by the Board would create a conflict of interest between the Board or the Fund and the Trustee, former Trustee or his estate.

(C) The Board of Trustees may provide for the defense of a criminal action brought against a Trustee or former Trustee if:

(1) The criminal action or proceeding is brought on account of an act or omission in the scope of his services or duties as a Trustee or former Trustee; and

(2) The Board determines that a defense would be in the best interests of the Fund and its participants and beneficiaries and that the Trustee or former Trustee acted, or failed to act, in good faith, without actual malice and in the apparent interests of the Fund and its participants and beneficiaries.

(D) The Board may provide for a defense pursuant to this Section by Fund counsel or co-counsel, by employing other counsel or by purchasing insurance, which requires that the insurer provide the defense. All of the expenses of providing a defense pursuant to this Section are proper charges against the Fund. The Fund will have no right to recover these expenses from the Trustee, former Trustee or his estate.

(E) If the Board fails or refuses to provide a Trustee, former Trustee or his estate with a defense against a civil action or proceeding brought against him or it and the Trustee, former Trustee or legal representative retains his own counsel to defend the action or proceeding, he will be entitled to recover from the Fund reasonable attorney's fees, costs and expenses incurred by him in defending the action or proceeding if the action or proceeding arose out of an act or omission in the scope of his service or duties as a Trustee of the Fund, unless the Board establishes that the Trustee or former Trustee acted or failed to act in breach of his fiduciary duty because of willful misconduct or gross negligence.

Section 6. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, nor any of the Trustees are responsible or liable for:

(A) The validity of this Trust Agreement or the Pension Plan;

(B) The form, validity, sufficiency, or effect of any contract or policy for pension benefits which may be entered into by the Board;

(C) Any delay occasioned by any restriction or provision in this Trust Agreement, the Pension Plan, the rules and regulations of the Board of Trustees, any contract or policy procured in the course of the administration of the Fund, or by any other proper procedure in the administration of the Fund. However, this clause will not excuse any violation of the Collective Bargaining Agreement; or

(D) The making or retention of any deposit or investment of the Fund, the disposition of any investment, the failure to make any investment of the Fund, or any loss or diminution of the Fund, except any loss that may be due to the gross neglect or willful misconduct of a particular person.

Section 7. Neither the Employer, any Signatory Association, any Individual Employer, the Union, nor any affiliated local union will be liable in any respect for any of the obligations or acts of the Trustees because the Trustees are in any way associated with the Employer, any Signatory Association, any Individual Employer, the Union, or any affiliated local union.

Section 8. In accordance with applicable laws and regulations, the Board of Trustees may provide for the reimbursement to the Trustees of expenses reasonably and actually incurred in the performance of their duties as Trustees, including attendance at educational or training conferences, institutes or other meetings relevant to those duties as authorized by the Board.

Section 9. Any Trustee who resigns or is removed from office must immediately turn over to the Chairman or Co-Chairman of the Board of Trustees at the principal office of the Fund any and all records, books, documents, money and other property in his possession or under his control which belongs to the Fund or which were received by him in his capacity as a Trustee.

Section 10. The name of the Fund may be used to designate the Trustees collectively and all instruments may be effected by the Board of Trustees in the name of the Fund.

ARTICLE VII

Corporate Co-Trustee or Custodian

Section 1. A Corporate Co-Trustee or Custodian and any successor may be appointed by the Trustees.

Section 2. The Corporate Co-Trustee or Custodian may not be a representative of either the Employer or the Union.

Section 3. The duties, responsibilities, rights and powers of the Corporate Co-Trustee or Custodian are those delegated to it by the Board of Trustees and will be set forth in a contract between the Board and the Corporate Co-Trustee or Custodian. If so designated, the Corporate Co-Trustee or Custodian will act as a fiduciary.

ARTICLE VIII

Arbitration

Section 1. In the event that the Trustees deadlock on any matter arising in connection with the administration of the Fund or the Pension Plan, they will agree upon a neutral person to serve as an impartial umpire to decide the dispute. The Employer Trustees and the Employee Trustees may, by mutual agreement, select an equal number of representatives from their respective Trustee groups to sit with the umpire to constitute a Board of Arbitration. The decision of a majority of this Board of Arbitration will be final and binding upon the Trustees, the parties and the beneficiaries of this Trust Agreement and the Plan. Otherwise, the decision of the impartial umpire will be final and binding upon the Trustees, the parties and the beneficiaries of the Trust Agreement and the Plan.

Any matter in dispute and to be arbitrated must be submitted to the Board of Arbitration or the impartial umpire, in writing, and in making his or its decision, the Board of Arbitration or umpire is bound by the provisions of this Trust Agreement, the Pension Plan and the Collective Bargaining Agreement and has no authority to alter or amend the terms of any of those Agreements. If the Trustees cannot jointly agree upon a statement submitting the matter to arbitration, each Trustee group will prepare a written statement containing its version of the dispute and the question or questions involved. The decision of the Board of Arbitration or the impartial umpire will be available in writing within 10 days after the submission of the dispute.

Section 2. If no agreement on an impartial umpire is reached within 10 days, or within the time the Trustees mutually agree upon, on petition of either the Employee Trustees or the Employer Trustees, an umpire will be appointed by the United States District Court for the Northern District of California.

Section 3. The reasonable expenses of any arbitration, including any necessary court proceedings to secure the appointment of an umpire or the enforcement of the arbitration award (excluding the fees and expenses of witnesses called by the parties and the cost of any attorneys other than the Fund attorneys selected pursuant to Article IV, Section 4 (D)), are a proper charge against the Fund. No expenses will be deemed reasonable under this Section until these expenses have been approved by the Board of Trustees.

Section 4. No matter in connection with the interpretation or enforcement of the Collective Bargaining Agreement is subject to arbitration under this Article. No matter which is subject to arbitration under this Article is subject to the grievance procedure or any other arbitration procedure provided in the Collective Bargaining Agreement.

ARTICLE IX

General Provisions

Section 1. Subject to the provisions of the Collective Bargaining Agreement, the rights and duties of all parties, including the Employer, the Signatory Associations, the Individual Employers, the Union, the affiliated local unions, the Employees, retired Employees, any other beneficiaries, and the Trustees, are governed by the provisions of this Trust Agreement and the Pension Plan and any policies or contracts procured or executed pursuant to this Trust Agreement.

Section 2. No Employee, retired Employee or other beneficiary or person has any right or claim to benefits under the Pension Plan other than as specified in the Plan.

Any claim to benefits from the Fund and any claim or right asserted under the Pension Plan or against the Fund, regardless of the basis asserted for the claim and regardless of when the act or omission upon which the claim is based occurred, will be resolved by the Board of Trustees. The Board's decision with regard to the claim or right is final and binding upon all persons affected by the decision. The Board of Trustees has established a procedure for the presentation, consideration and determination of any claim or right, which complies with ERISA.

No action may be brought for benefits under the Pension Plan or to enforce any right or claim under the Plan or against the Fund until after the claim for benefits or other claim has been submitted to and determined by the Board in accordance with the established procedure. The only action which may be brought is one to enforce the decision of the Board or to clarify the rights of the claimant under that decision. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union nor any of the Trustees will be liable for the failure or omission, for any reason, to pay any benefits under the Pension Plan.

Section 3. Any notice required to be given under the terms of this Trust Agreement, the Pension Plan or the rules and regulations of the Board of Trustees is deemed to have been duly served if delivered personally to the person to be notified in writing, or if mailed in a sealed envelope, postage prepaid, to that person at his last known address as shown in the records of the Fund or if sent by wire to that person at the last known address.

Section 4. This Trust Agreement is binding upon and will inure to the benefit of all Individual Employers who are now or may become members of the Employer, any Signatory Association, and the heirs, executors, administrators, successors, purchasers and assigns of the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union and the Trustees.

Section 5. All questions pertaining to this Trust Agreement, this Trust Fund or the Pension Plan, and their validity, administration or construction, will be determined in accordance with the laws of the United States and any applicable laws of the State of California.

Section 6. If any provision of this Trust Agreement, the Pension Plan, the rules and regulations of the Board, or any step in the administration of the Fund or the Pension Plan is held to

be illegal or invalid for any reason, that illegality or invalidity will not affect the remaining portions of this Trust Agreement, the Plan or the rules and regulations, unless that illegality or invalidity prevents accomplishment of the objectives and purposes of this Trust Agreement and the Plan. In the event this occurs, the parties will immediately commence negotiations to remedy any defect.

Section 7. Except to the extent necessary for the proper administration of the Fund or the Pension Plan, all books, records, papers, reports, documents, or other information obtained with respect to the Fund or the Plan are confidential and will not be made public or used for any other purposes. Nothing in this Section prohibits the preparation and publication of statistical data and summary reports with respect to the operations of the Fund and the Plan.

Section 8. In the establishment and maintenance of the Pension Plan, and in the execution, amendment and implementation of this Trust Agreement, the Union acts for and on behalf of the Employees and as their collective bargaining representative and agent, and every agreement or act of the Union in connection with the establishment, maintenance and operation of the Fund or the Plan is deemed to be and is the agreement or act of the Employee, or Employees, concerned or affected by that agreement or action.

Section 9. In the establishment and maintenance of the Pension Plan, and in the execution, amendment and implementation of this Trust Agreement, the Employer acts for and on behalf of the Individual Employers who, at the time of the execution of this Trust Agreement are or who may become members of the Employer or any Signatory Association, and on behalf of any other Individual Employer who is required by the Collective Bargaining Agreement to make Contributions to the Fund or who in fact makes one or more Contributions to the Fund. Every agreement or act of the Employer in connection with the establishment, maintenance and operation of the Fund or the Plan is deemed to be and is the agreement or act of the Individual Employer, or Individual Employers, concerned or affected by that agreement or action.

Section 10. Any payment required by a decision of the Board is due and payable in the City and County of San Francisco and any action or proceeding to enforce or clarify a decision of the Board must be brought in a court of competent jurisdiction in that City and County. Any action or proceeding affecting the Fund or the Plan must be brought solely against the Fund as an entity, and solely by or on behalf of the claimant in the claims procedure established in Section 2 of this Article. Neither the Employer nor any Signatory Association or Individual Employer, the Union, any Employee, retired Employee, any beneficiary or other person is entitled to notice of any action or proceeding or to service of process. Any final judgment entered in any action or proceeding is binding upon all of the above named parties so long as the judgment does not attempt or purport to impose any personal liability upon or against any party not joined or not served in any action or proceeding.

Section 11. It is the intent and purpose of the parties that Contributions to the Fund be deductible by the Individual Employers for applicable tax purposes in the taxable year when paid. It is also the intent of this Agreement that the benefits to the Employees, retired Employees or other beneficiaries be taxable to them, if at all, only in the year those benefits are distributed or made available to them.

It is further intended that this Trust Fund be tax exempt at all times. If any administrative or judicial ruling holds that any provision of this Trust Agreement or of the Pension Plan prevents or defeats the tax qualification of the Trust or any other objective stated in this Section, either under existing laws or regulations or any laws or regulations subsequently enacted or adopted, or if for any reason it becomes necessary or desirable to amend this Trust Agreement or the Pension Plan to accomplish any stated objective, the parties will immediately enter into negotiations to amend this Trust Agreement or the Pension Plan. Any amendment will be effective, insofar as practicable, as of the effective date of this Trust Agreement or of the Pension Plan or as of the effective date of any law or regulation enacted or adopted.

ARTICLE X

Non-Member Employers

Section 1. Upon the approval of the Board of Trustees, any Individual Employer who is not a member of or represented by the Employer or a Signatory Association but who is performing work coming within the jurisdiction of the Union may become a party to this Trust Agreement by executing in writing and depositing with the administrative office of the Board of Trustees his or its acceptance of the terms of this Trust Agreement, in a form acceptable to the Board.

Section 2. Any Individual Employer who executes and deposits a written acceptance, or who in fact makes one or more Contributions to the Fund with the approval of the Board of Trustees, assumes and is bound by all of the obligations imposed by this Trust Agreement upon the Individual Employer, is entitled to all rights under this Trust Agreement and is otherwise subject to it in all respects.

ARTICLE XI

Amendment and Termination

Section 1. The provisions of this Trust Agreement may be amended or modified at any time by mutual agreement of the Employer and the Union subject to the terms and conditions of the Collective Bargaining Agreement and any applicable law or regulation. Any amendment or modification to this Trust Agreement may be executed in counterpart.

Section 2. This Trust is irrevocable and the provisions of this Trust Agreement will continue in effect during the term of the Collective Bargaining Agreement, including any amendment, renewal or extension which provides for the continuation of payments into the Fund and Pension Plan.

Section 3. This Trust Agreement and the Trust Fund may be terminated by the Employer and the Union by an instrument in writing executed by mutual consent at any time, subject to the provisions of Section 4 of this Article. Upon the termination of the Trust, any money remaining in the Fund after the payment of all expenses and obligations of the Trust will be used for the continuance of one or more benefits of the type provided by the Pension Plan until the Fund is exhausted.

Section 4. In no event will any amendment or modification of this Trust Agreement, or the termination of this Trust Fund, cause or result in any portion of the Fund revert to or be recoverable by the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, or result in the diversion of any portion of the Fund to any purpose other than for the exclusive benefit of Employees, retired Employees or their beneficiaries under the Plan and the payment of the administrative expenses of the Fund and the Plan.

Section 5. In no event will the Trust established by this Trust Agreement continue for a longer period than is permitted by law.

Executed on this 19th day of November 2008, in San Francisco, California.

EMPLOYER:

Associated General Contractors of California, Inc.

By *signed* Thomas Holsman

UNION:

Northern California District Council of Laborers

By *signed* Jose Moreno

ACCEPTANCE OF OFFICE BY TRUSTEES

The undersigned accept office as Trustees appointed pursuant to the Trust Agreement and agree to act under and be subject to all of the terms and conditions of this Agreement. The undersigned declare that they hold the Fund created by this Agreement in trust for the uses and purposes set forth in this Agreement.

Dated: August 2, 1963

INITIAL EMPLOYER TRUSTEES

A.E. Holt
W.L. Ames, Jr.
G.S. Herrington
Morris K. Daley
Carl K. Lawrence

INITIAL EMPLOYEE TRUSTEES

Charles Robinson
Percy L. Ball
Harry Whitehouse
Philip Thorpe
Jay Johnson

SUBSTITUTION OF TRUSTEES

Changes in the composition of the Board of Trustees since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

CHANGES IN CONTRIBUTION RATE

Changes in the contribution rate since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

CHANGES IN CORPORATE CO-TRUSTEE OR CUSTODIAN

Changes in the Corporate Co-Trustee or Custodian since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

AMENDMENT NO. 1
AMENDED AND RESTATED TRUST AGREEMENT ESTABLISHING THE
LABORERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA
(2008)

This Amendment No. 1 to the Amended and Restated Trust Agreement Establishing the Laborers Pension Trust Fund for Northern California ("Trust Agreement") is effective as of February 1, 2014.

WHEREAS, Article XI, Section 1 of the Trust Agreement provides that the Union and Employer have the power to amend said Agreement, and

WHEREAS, the Union and the Employers desire to amend said Agreement,

NOW, THEREFORE, the Trust Agreement is amended as follows:

1. Article II, Section 7 is amended to read as follows:

Section 7. Each Employee, retired Employee or beneficiary under the Pension Plan is restrained from selling, transferring, anticipating, assigning, alienating, hypothecating or otherwise disposing of his pension, prospective pension or any other right or interest under the Plan. The Board of Trustees will not recognize or be required to recognize, any sale, transfer, anticipation, assignment, alienation, hypothecation or other disposition. Any pension, prospective pension, right or interest will not be subject in any manner to voluntary transfer or transfer by operation of law or otherwise, and is exempt from the claims of creditors or other claimants and from all orders, decrees, garnishments, executions or other legal or equitable process or proceedings to the fullest extent permitted by law. Notwithstanding the foregoing, the Board of Trustees may adopt rules and regulations allowing any retired Employee, and any surviving spouse while entitled to receive a pension, to direct a portion of the pension due him or her to be paid to: 1) the Laborers Health and Welfare Trust Fund for Northern California to defray all or part of the cost of benefits to be provided to him or her by that fund and will make payments when so directed; and/or 2) a Laborers' related entity established to promote and protect the interests of Laborers.

The Board will adopt and prescribe reasonable rules and regulations for the implementation of the qualified domestic relations order provisions of ERISA, the Internal Revenue Code and the Retirement Equity Act of 1984.

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Except as amended herein, all the terms and provisions of the Trust Agreement are reaffirmed and continue in full force and effect.

FOR THE UNION:

NORTHERN CALIFORNIA DISTRICT COUNCIL OF LABORERS

By: *signed* Oscar De La Torre

Dated: April 17, 2014

FOR THE EMPLOYERS:

ASSOCIATED GENERAL CONTRACTORS OF CALIFORNIA, INC.

By: *signed* Thomas Holsman

Dated: April 11, 2014



LABORERS

VACATION-HOLIDAY

TRUST FUND

**LABORERS
VACATION-HOLIDAY TRUST FUND
FOR NORTHERN CALIFORNIA**

BOARD OF TRUSTEES

Employer Trustees

Byron C. Loney
Chairman

Robert Chrisp

Bill Koponen

Larry Nibbi

Manuel De Santiago

Employee Trustees

Oscar De La Torre
Co-Chairman

Doyle Radford

David Gorgas

Bruce Rust

Fernando Estrada

INDEX

LABORERS VACATION-HOLIDAY TRUST FUND FOR NORTHERN CALIFORNIA

	Page
Recitals.....	1
Article I Definitions.....	3
Article II Trust Fund.....	5
Article III Board of Trustees.....	9
Article IV Functions and Powers of Board of Trustees	10
Article V Procedure of Board of Trustees	15
Article VI General Provisions Applicable to Trustees.....	16
Article VII Corporate Co-Trustee or Custodian.....	19
Article VIII Arbitration.....	20
Article IX General Provisions	21
Article X Vacation/Holiday Benefits	23
Article XI Non-Member Employers.....	25
Article XII Amendment and Termination	26

**AMENDED AND RESTATED TRUST AGREEMENT
ESTABLISHING THE LABORERS VACATION-HOLIDAY
TRUST FUND FOR NORTHERN CALIFORNIA**

SEPTEMBER 2008

This TRUST AGREEMENT, which was entered into on June 4, 1963, by and between Northern and Central California Chapter, the Associated General Contractors of America, Inc., referred to as the “**Employer**,” and the Northern California District Council of Laborers, AFL-CIO, referred to as the “**Union**,” recites and provides as follows:

Recitals:

1. The Employer, and other employer organizations signatory to this Trust Agreement, are parties to collective bargaining agreements with the Union, known respectively as the Laborers 46 Northern California Counties Master Agreement and the Laborers 46 Northern California Counties Tunnel Master Agreement, which provide that each Individual Employer covered by these Master Agreements will contribute the amount specified in the Master Agreements to the Laborers Vacation-Holiday Trust Fund for Northern California for each hour paid for or worked by laborers employed by an Individual Employer.

2. In addition, various Individual Employers performing work within the area covered by the Master Agreements are now or will become parties to collective bargaining agreements with the Union requiring these Individual Employers to comply with the wages, hours and working conditions set forth in the Master Agreements, or providing for payments to a vacation plan for Employees covered by collective bargaining agreements.

3. The parties have agreed that these Contributions are payable to and will be deposited in the Trust Fund created and established by this Trust Agreement.

4. Pursuant to the Master Agreements and other collective bargaining agreements, a Subcommittee was established upon which the Employer and the Union were equally represented and the Subcommittee has negotiated the details of the Vacation-Holiday Plan referred to in the Master Agreements including the details of the Trust established by this Trust Agreement.

5. Pending completion of the negotiations, the Subcommittee entered into an Escrow Agreement with the Crocker-Anglo National Bank, dated October 2, 1962, providing for the payment of the Contributions coming due under the collective bargaining agreements for work on and after September 1, 1962, into an escrow account with the Bank, known as the Laborers Vacation Plan for Northern California-Escrow Account, pending the preparation and execution of this Trust Agreement, and under the Escrow Agreement, Contributions have been paid by Individual Employers into that account.

6. The Trust Fund being created and the Vacation-Holiday Plan being implemented will, at all times, conform to the applicable requirements of the Labor-Management Relations Act of 1947, as amended, the Employer Retirement Income Security Act of 1974 (ERISA), as amended, and any

other applicable laws, and be qualified pursuant to the applicable provisions of the Internal Revenue Code, as amended, for all available exemptions and immunities.

7. The Employer and the Union referred to in the Master Agreement, have negotiated the following terms and provisions of the Trust Agreement governing the establishment and administration of the Laborers Vacation-Holiday Trust Fund for Northern California.

8. The purpose of this Trust Agreement is to provide for the establishment of the Trust Fund and for the maintenance of the Vacation-Holiday Plan in accordance with the terms of the collective bargaining agreements and this Trust Agreement.

9. Since the establishment of the Trust Fund, the Northern California Chapter and Central California Chapter, the Associated General Contractors of America, Inc., originally named as the “**Employer**,” were merged into the Associated General Contractors of California, Inc., which succeeded to all of the rights and obligations of the “**Employer**” and is now the entity referred to as the “**Employer**.” The name of the “**Union**” has also been changed to Northern California District Council of Laborers, Affiliated with the Laborers’ International Union of North America, AFL-CIO.

10. The Employer and the Union have agreed that this Trust Agreement is amended and restated to conform with all of the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and any valid regulations issued consistent with that Act.

Provision:

In consideration of the foregoing, and of the mutual promises stated, the parties agree as follows:

ARTICLE I

Definitions

Unless the context or subject matter requires otherwise, the following definitions govern in this Trust Agreement:

Section 1. The term “Collective Bargaining Agreement” means (a) the Laborers 46 Northern California Counties Master Agreement, dated June 27, 1962, including any amendment, extension or renewal; (b) the Laborers 46 Northern California Counties Tunnel Master Agreement dated June 27, 1962, including any amendment, extension or renewal; and (c) any other collective bargaining agreement between the Union or any of its affiliated local unions and any Individual Employer or employer organization which provides for the making of Contributions to the Vacation-Holiday Fund.

Section 2. The term “Individual Employer” means any employer who is required by the Collective Bargaining Agreement to make Contributions to the Vacation-Holiday Fund or who in fact makes one or more Contributions to the Fund. The term “Individual Employer” also includes the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union is affiliated and any corporation, trust or other entity that provides services to the Fund or provides services in the training or retraining of laborers, which makes Contributions to the Fund with respect to the work of its Employees under a Subscriber’s Agreement, which has been approved by the Board of Trustees, but only to the extent that the inclusion of these Employees is permitted under existing laws and regulations. The Union, any affiliated local union, labor council, other labor organizations, corporation, trust or other entity is an Individual Employer solely for the purpose of making Contributions to the Fund with respect to the work of its respective Employees and has no other rights or privileges under this Trust Agreement as an Individual Employer.

Section 3. The term “Employee” means any employee of an Individual Employer who performs one or more hours of work covered by the Collective Bargaining Agreement. The term “Employee” also includes: (a) employees of the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union is affiliated; and (b) employees of any corporation, trust, or other entity that provides services to the Fund or provides services in the training or retraining of laborers, but only to the extent that this inclusion is pursuant to regulations adopted by the Board of Trustees and is permitted under existing laws or regulations.

Section 4. The term “Signatory Association” means any employer organization, other than the Employer, which is a party to this Trust Agreement or the Master Agreements and signs on behalf of its members or executes on behalf of its members any agreement to be bound by the terms of this Trust Agreement or a written acceptance or authorization of this Trust Agreement or one of the Master Agreements.

Section 5. The term “Trustee” means any natural person designated as Trustee under Article III of this Trust Agreement.

Section 6. The term “Board of Trustees” or “Board” means the Board of Trustees established by this Trust Agreement.

Section 7. The term “Vacation-Holiday Fund” or “Fund” means the Trust Fund created and established by this Trust Agreement.

Section 8. The term “Vacation-Holiday Plan” or “Plan” means the Vacation-Holiday Plan established by the Collective Bargaining Agreement and this Trust Agreement including any amendment, extension or renewal.

Section 9. The term “Trust Agreement” means this Agreement, including any amendment, extension or restatement.

Section 10. The term “Contribution” means the payment made or to be made to the Fund by an Individual Employer which is required by the Collective Bargaining Agreement.

Section 11. The term “affiliated local union” means any local union affiliated with the Union whose members perform work covered by the Master Agreements.

Section 12. The term “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any valid regulations issued consistent with that Act.

ARTICLE II

Trust Fund

Section 1. The Laborers Vacation-Holiday Trust Fund for Northern California consists of all Contributions required by the Collective Bargaining Agreement to be made for the establishment and maintenance of the Vacation-Holiday Plan, including all interest, income and other returns of any kind.

Section 2. The Fund's principal office is in the City and County of San Francisco, California, or any other place designated by the Board of Trustees.

Section 3. No Employee is entitled to receive any part of the Contributions made or required to be made to the Fund in lieu of the benefits provided by the Vacation-Holiday Plan.

Section 4. The Fund will be administered by the Board of Trustees for the exclusive benefit of the Employees and their beneficiaries consistent with the provisions of the Vacation-Holiday Plan. Notwithstanding anything to the contrary contained in this Trust Agreement or in the Plan, including any amendment, extension or renewal, no portion of the Fund can at any time revert to, or be recoverable by, the Employer, any Signatory Association, any Individual Employer, the Union or any affiliated local union, or be used for, or diverted to, purposes other than for the exclusive benefit of the Employees or their beneficiaries under the Plan, and the payment of the administrative expenses of the Fund and the Plan, except for Contributions which may be refunded to an Individual Employer under applicable law.

Section 5. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee, any beneficiary under the Vacation-Holiday Plan, nor any other person has any right, title or interest in or to the Fund other than as specifically provided in this Trust Agreement or the Plan. Neither the Fund nor any Contributions to the Fund will be in any manner liable for or subject to the debts, contracts or liabilities of the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee, or any beneficiary.

Section 6. Neither the Employer or any Signatory Association, nor any officer, agent, employee or committee member of the Employer or any Signatory Association, will be liable for making Contributions to the Fund or be under any other liability to the Fund or the Vacation-Holiday Plan, except to the extent that he or it may be an Individual Employer required to make Contributions to the Fund with respect to his or its own individual or joint venture operations, or to the extent he may incur liability as a Trustee. The liability of any Individual Employer to the Fund or the Vacation-Holiday Plan is limited to the payments required by the Collective Bargaining Agreement with respect to his or its individual or joint venture operations and in no event will he or it be liable or responsible for any portion of the Contributions due from other Individual Employers with respect to the operations of those Individual Employers. The basis on which payments are made to the Fund is specified in the Collective Bargaining Agreement, Subscriber's Agreement and this Trust Agreement. The Individual Employers will not be required to make any further payments or

Contributions to the cost of the operation of the Fund or the Plan, except as may be provided in those Agreements.

Section 7. Each Employee or beneficiary under the Vacation-Holiday Plan is restrained from selling, transferring, anticipating, assigning, alienating, hypothecating or otherwise disposing of his vacation account or any other right or interest under the Plan. The Board of Trustees will not recognize, or be required to recognize, any sale, transfer, anticipation, assignment, alienation, hypothecation or other disposition. No vacation account will be subject in any manner to voluntary transfer or transfer by operation of law or otherwise, and is exempt from the claims of creditors or other claimants and from all orders, decrees, garnishments, executions or other legal or equitable process or proceeding to the fullest extent permitted by law.

The Board of Trustees, however, has the authority to continue, maintain and from time to time modify or revoke, in whole or in part, a policy or procedure for the recognition and payment, from the vacation account, of any order, decree, warrant, garnishment, execution or other legal or equitable process for the enforcement of any liability to any governmental agency, or in connection with any domestic relations or child support proceeding.

In the event that through mistake or any other circumstance, an Employee has been paid more than he is entitled to under the Plan or the law or has become obligated to the Fund under an indemnity agreement or in any other way, the Board of Trustees may setoff, recoup and recover the amount of the overpayment or obligation from a vacation account accrued or accruing to the Employee or his beneficiary but not yet distributed.

Section 8. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, nor any Employee will be liable or responsible for any debts, liabilities or obligations of the Fund or the Trustees.

Section 9. Contributions to the Fund are due commencing September 1, 1962, for work on or after that date and are payable in San Francisco, California, in regular monthly installments starting on or before October 15, 1962, and continuing from month to month, subject to the provisions of the Collective Bargaining Agreement. The Contribution payable on or before October 15, 1962, included all amounts which accrued for work performed during the period from September 1, 1962, up to the close of the Individual Employer's payroll period ending closest to the last day of that month. Each subsequent monthly Contribution must include all amounts which have accrued in the interim for work performed up to the close of the Individual Employer's payroll period ending closest to the last day of the preceding calendar month. Each monthly Contribution must be accompanied by a report in a form prescribed by the Board of Trustees. The rate of contribution paid by the Union, or any affiliated local union, pursuant to regulations adopted by the Board of Trustees, cannot be less than the rate of contribution required by the Collective Bargaining Agreement.

Section 10. Each Contribution to the Fund must be made promptly, but in no event later than the 25th day of the calendar month in which it is due, on which date the Contribution, if not paid in full, is delinquent. If any Individual Employer fails to make his or its monthly Contribution in full on or before the 25th day of the month on 4 occasions within any 12-month period, the Board of

Trustees may provide by resolution that, during the 12-month period immediately following the resolution, the 15th day of the month is the delinquency date for that Individual Employer.

The Employer and Union recognize and acknowledge that the regular and prompt payment of Contributions to the Fund is essential to the maintenance of the Vacation-Holiday Plan and have considered all pertinent factors bearing on the problem of Individual Employer delinquencies, including, without limitation, (1) the cost to the Fund of collection activities made necessary by those delinquencies, (2) the losses to the Fund resulting from the failure of delinquent Individual Employers to file reports of Contributions at a time when money to pay Contributions is available, (3) the delay in and increased cost of making benefit payments to Employees due to delinquent Individual Employer reports and Contributions, and (4) the adverse effect of Individual Employer delinquencies upon the willingness of all other employers to make regular and prompt payments to the Fund. The Employer and the Union have concluded that it remains extremely difficult, if not impracticable, to fix the actual expense and damage to the Fund and the Vacation-Holiday Plan, which results from the failure of an Individual Employer to pay the monthly Contributions in full within the time provided in the Trust Agreement. Furthermore, the Employer and the Union have estimated that the cost and damage to the Fund is significant and that it would aid in the solution of the problem of Individual Employer delinquencies if the Trust Agreement provide: (1) that the cost and damages will be payable by the delinquent Individual Employers to the Fund as liquidated damages and not as a penalty, effective for Contributions due for work performed on or after November 1, 2002; (2) that the Board of Trustees be granted authority to amend the liquidated damages and interest provisions applicable to delinquent Contributions; and (3) that any adjustments made by the Board of Trustees to the liquidated damages and interest provisions reflect the administrative and collection costs associated with the delinquent Contributions owed to the Fund. Therefore, the Employer and Union and any party signatory to the Collective Bargaining Agreement authorize the Board of Trustees to set or amend the liquidated damages and interest provisions applicable to delinquent Contributions. Any adjustments implemented by the Board of Trustees will reflect the administrative and collections costs associated with the delinquent Contributions due to the Trust Fund.

These amounts as determined by the Board will become due and payable to the Fund as liquidated damages and not as a penalty, in San Francisco, California, upon the day immediately following the date on which the Contributions become delinquent and are in addition to any delinquent Contributions. The Contributions as increased are the amount required to be paid to the Fund.

Section 11. Contributions to the Fund are deemed to be a part of the wages due to the Employees with respect to whose work the payments are made. No Individual Employer has any right, title or interest in the payments, and no portion can revert to any Individual Employer except to the extent permitted by applicable law. Insofar as consistent with the other provisions of this Agreement, the Contributions will be treated and reported as a part of the compensation earned at the time the work to which the Contributions pertain is performed, subject to the terms of this Agreement, and will be treated as wages subject to withholding, Social Security and unemployment taxes as a part of the total compensation payable at the end of the Individual Employer's payroll period during which the work is performed. The Contributions are payable on an "hours worked or paid" basis in the same manner as health and welfare contributions. They will not be a part of the

hourly wage rates for the purpose of computing overtime or reporting time or for any other purpose of the Collective Bargaining Agreement, or part of the “regular rate” or “basic hourly rate” for the purpose of the Federal Fair Labor Standards Act, Walsh-Healey Act or any other law, ordinance or regulation. If the Contributions can be considered and treated as part of the wages prevailing in the area for the purpose of the Federal Davis-Bacon Act and similar federal, state or local laws, ordinances or regulations, they will be so considered and treated.

Section 12. The Board of Trustees will establish and maintain records of the Contributions received with respect to the work performed by each Employee and will credit those Contributions to a vacation account for the Employee. The account of each Employee will be reflected in the records of the Fund. Notwithstanding the Employee account records, the Board of Trustees has the right and authority to commingle the Contributions with any or all other Contributions received with respect to the work performed by other Employees and any or all other payments to the Fund, to deposit all or any part of the commingled Contributions and payments in one or more bank accounts, to invest and reinvest all or any portion of the Contributions and payments as provided in Article IV, Section 4(G), of this Trust Agreement, and to pay and distribute the Contributions in accordance with the provisions of this Trust Agreement and the Plan. The Board may deduct from the account of each Employee an administrative charge not to exceed \$2.00 annually for defraying the cost of administering the Fund and Plan. The portion of the Contributions representing liquidated damages or expenses of collection and any interest or other return on the Contributions may also be used by the Board to defray the administrative costs or to provide for a reserve for the payment of the cost, and if not used, may be distributed equitably to the Employees and their beneficiaries at the time and upon the terms and in proportions the Board of Trustees may determine.

ARTICLE III

Board of Trustees

Section 1. The Fund is administered by a Board of Trustees which consists of 5 Trustees representing the Individual Employers and 5 Trustees representing the Employees. The Trustees representing the Individual Employers are appointed in a writing signed by the Employer, who is irrevocably designated by each Individual Employer as his or its attorney-in-fact for the purpose of appointing and removing Trustees and successor Trustees. The Trustees representing the Employees are appointed by the Union in a writing signed by the Executive Officer of the Union.

The Employer and the Union expressly designate the Trustees jointly as named fiduciaries, who have the exclusive authority and discretion acting as the Board of Trustees to control and manage the operations and administration of the Fund and the Plan. Each of the Trustees expressly accepts designation as a fiduciary and as Trustee by written acceptance and signature of this Trust Agreement and assumes the duties, responsibilities and obligations of the Trustees created and established by this Trust Agreement and under applicable law. Any successor Trustee will also sign the Trust Agreement or a written acceptance in a form approved by and filed with the Board of Trustees.

Section 2. The Trustees agree to select one person to act as Chairman of the Board of Trustees and one to act as Co-Chairman, each to serve for a period of time determined by the Board. When the Chairman is selected from among the Employer Trustees, the Co-Chairman will be selected from among the Employee Trustees, and vice versa.

Section 3. Each Trustee will serve until his death, resignation or removal from office.

Section 4. A Trustee may resign at any time by serving written notice of his resignation upon the Secretary of the Board of Trustees at least 30 days prior to the date on which his resignation is to be effective. The Secretary will promptly notify, in writing, the Chairman and Co-Chairman of the Board and the Employer and the Union of the Trustee's resignation.

Section 5. Any Employer Trustee may be removed from office at any time, for any reason, by a writing signed by the Employer and served on the Secretary of the Board of Trustees. Any Employee Trustee may be removed from office at any time, for any reason, by a writing signed by the Executive Officer of the Union and served on the Secretary of the Board of Trustees. The Secretary will promptly notify, in writing, the Chairman and Co-Chairman of the Board, the Trustee being removed, and the Union or Employer of the removal.

Section 6. If an Employer Trustee dies, resigns or is removed from office, a successor Trustee will be promptly appointed in a writing signed by the Employer. If an Employee Trustee dies, resigns or is removed from office, a successor Trustee will be promptly appointed in a writing signed by the Executive Officer of the Union.

ARTICLE IV

Functions and Powers of Board of Trustees

Section 1. The Board of Trustees acting jointly has the power to control and manage the assets, operation and administration of the Fund and the Plan as a fiduciary and is required to exercise that authority with the care, skill, prudence and diligence under the prevailing circumstances that a prudent board acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of like character and with like aims. The Board has the authority to:

(A) Appoint an investment manager or managers (as defined by ERISA) to manage (including the power to acquire and dispose of) any assets of the Fund;

(B) Enter into an agreement allocating among Trustees specific responsibilities, obligations, or duties as the Board determines;

(C) Designate persons other than named fiduciaries to carry out fiduciary responsibilities (other than Trustee responsibilities) under this Trust Agreement or the Plan; and

(D) Employ one or more persons to provide advice with regard to any responsibility the Board has under this Trust Agreement or Plan.

Any person or entity appointed, designated or employed by the Board agrees to act solely in the interests of the participants and beneficiaries of the Fund and the Plan.

The detailed basis on which vacation benefits are paid will be set forth in writing and designated as the Vacation-Holiday Plan of the Laborers Vacation-Holiday Trust Fund for Northern California. The Board of Trustees expressly reserves the right, in its sole discretion, at any time, to amend or modify the Vacation-Holiday Plan. Any amendment or modification of the Vacation-Holiday Plan must be in writing and signed by the Chairman and Co-Chairman of the Board.

Section 2. All Contributions to the Fund are due and payable in San Francisco, California and must be paid to, received and held by the Fund subject to the terms and provisions of this Trust Agreement. The acceptance and cashing of any checks for Contributions, and the disposition of the monies covered in accordance with this Trust Agreement, will not release or discharge the Individual Employer from his or its obligation under the Collective Bargaining Agreement for hours paid or worked for which no Contributions have actually been received, notwithstanding any statement, restriction, or qualification appearing on the check or any attachment to the check.

The Board of Trustees may direct that any check may be a single check covering monies payable to one or more other funds and may join with the boards of trustees of the other funds in instructing the bank or banks with regard to the allocation of the monies covered by the check among the funds. In the event these instructions are given, they are binding upon the bank or banks, the Individual Employer, the Employees, the Employer, the Union and all other parties.

Section 3. The Board of Trustees has the power in the name of the Fund, or jointly with other funds, as in its discretion may be deemed necessary or desirable, to demand and enforce, by

suit, in court or otherwise, the prompt payment of Contributions to the Fund, including payments due to delinquencies as provided in Article II, Section 10 without being limited or restricted by any grievance or arbitration procedures provided in the Collective Bargaining Agreement. In addition, the Board has the right to assert and enforce all priorities, lien rights, and other claims or rights with respect to any Contributions or payments belonging to the Trust Fund or any of its participants and beneficiaries including the right to file priority and other claims in bankruptcy.

If an Individual Employer defaults in the making of Contributions or payments and if the Board consults legal counsel, or files any suit or claim, there will be added to the obligation of the Individual Employer who is in default, reasonable attorney's fees, costs and all other reasonable expenses incurred in connection with the suit or claim, including any appellate proceedings.

All delinquent Contributions collected by the Board will be credited to the respective vacation accounts of the Employees to whom the Contributions pertain and all liquidated damages and reimbursement of attorney's fees and costs will be credited to the administrative account of the Plan. No provision of this Section, or any other Section of this Agreement, will interfere with or qualify the right of the Union and their representatives to enforce compliance with the terms and provisions of the Collective Bargaining Agreement or to assist in the processing of claims before the Labor Commissioner or any other claims for the payment of sums due the Vacation-Holiday Fund.

Section 4. Without limitation of the provisions of Section 1 of this Article, the Board of Trustees has the power to:

(A) Pay out of the Fund the reasonable expenses incurred in the establishment of the Fund and the Plan;

(B) Establish and accumulate reserve funds as may be adequate to provide for administrative expenses and other obligations of the Fund, including the maintenance of the Vacation-Holiday Plan;

(C) Provide a procedure for establishing and carrying out a funding policy and method consistent with the objectives of the Vacation-Holiday Plan and the requirements of ERISA;

(D) Employ or engage executive, consulting, accounting, administrative, clerical, secretarial, legal or other employees, assistants or advisors, as necessary, to administer the Fund and the Vacation-Holiday Plan and pay out of the Fund the compensation and necessary expenses of these employees, assistants or advisors and the cost of office space, furnishings and supplies and other essentials required in the administration of the Fund. If the Board is unable to agree upon the employment of an attorney, the Employer Trustees and the Employee Trustees may each select an attorney, who will be directed to act jointly in connection with the administration of the Fund, and the reasonable cost of the advice or services will be paid from the Fund. The Board will engage an independent qualified public accountant on behalf of all Plan participants as required by ERISA;

(E) Incur and pay out of the Fund any other expenses reasonably incidental to the administration of the Fund or the Vacation-Holiday Plan;

(F) Compromise, settle, or release claims or demands in favor of or against the Fund on any terms and conditions the Board may deem desirable, including the power to continue, maintain and

from time to time modify or revoke, in whole or in part, a policy or procedure for the waiver of all or part of the liquidated damages portion of any Contributions upon any terms and conditions the Board determines would be in the interests of the Fund and its participants and beneficiaries. However, this clause will not excuse any violation of the Collective Bargaining Agreement;

(G) Invest and reinvest the assets of the Fund in accordance with all applicable laws if no investment manager is designated and appointed by the Board. Investments may be made with a bank or other fiduciary to the fullest extent permitted by law. No indicia of ownership will be maintained outside the jurisdiction of the district courts of the United States, except to the extent permitted by law;

(H) Enter into contracts or policies in its own name or the name of the Fund; terminate, modify or renew any contracts or policies subject to the provisions of the Vacation-Holiday Plan and the Trust Agreement; and exercise and claim all rights and benefits granted to the Board or the Fund by any contracts or policies;

(I) Pay all or part of the benefits provided in the Vacation-Holiday Plan to the persons entitled to benefits under the Plan and in accordance with the terms and provisions of the Plan and Trust Agreement;

(J) Purchase, sell, exchange, lease, convey, mortgage or otherwise dispose of or acquire, any property, real, personal or mixed, on any terms the Board may deem proper, and execute and deliver any and all instruments of conveyance or transfer;

(K) Borrow money; encumber or hypothecate real or personal property by mortgage, deed of trust (with power of sale), contract of sale, security agreement, pledge or otherwise; borrow money on the credit of the trust estate; and purchase real or personal property subject to, and assume the obligation secured by, a mortgage, deed of trust (with power of sale), contract of sale, security agreement, pledge or otherwise;

(L) Construe the provisions of this Trust Agreement and the Plan and any construction adopted by the Board in good faith is binding upon any and all affected parties or persons;

(M) Pay any and all real or personal property taxes, income taxes, or other taxes or assessments of any or all kinds levied or assessed upon the Fund or the Vacation-Holiday Plan;

(N) Prepare periodic reports, descriptions, summaries and other information required by law or as the Board in its discretion deems necessary or appropriate, and file and furnish those reports, descriptions, summaries and information to participants and their beneficiaries, the Union or its affiliated local unions, the Employer and Individual Employers, the Trustees or other persons or entities, including governmental agencies, as required by law or as deemed necessary by the Board;

(O) Maintain a bank account or bank accounts as necessary or advisable in the administration of the Fund or the Vacation-Holiday Plan, and designate the person or persons authorized to sign checks and withdrawal orders on any of those accounts;

(P) Adopt and prescribe reasonable rules and procedures, which are consistent with the provisions of this Trust Agreement and the Vacation-Holiday Plan, governing the reporting of Contributions, the entitlement to benefits, the method of applying for benefits, and any and all other matters in connection with the Fund and the Plan;

(Q) Invest in group or collective investment trusts or investment companies; to the extent required by the provisions of any common or collective investment trust which has been qualified under Section 401(a) and is exempt under Section 501(a) of the Internal Revenue Code of 1986, as amended, the terms of the agreement or declaration of trust establishing that collective trust fund will be incorporated into this Trust and any assets invested in that collective trust fund will be held, invested and administered in accordance with that agreement or declaration of trust; and

(R) Exercise and perform any and all of the other powers and duties specified in this Trust Agreement or the Vacation-Holiday Plan.

Section 5. The Board of Trustees will provide at the expense of the Fund, where and to the extent permissible by applicable law, insurance and bonding protection for the Fund and for each Trustee, former Trustee or estate of a deceased Trustee or former Trustee, and all other persons who handle funds or other property of the Fund for any purpose. This protection will be from companies and with limits determined by the Board.

Section 6. All checks, drafts, vouchers or other withdrawals of money from the Fund must be authorized in writing or countersigned by at least one Employer Trustee and one Employee Trustee.

Section 7. The Board of Trustees will maintain suitable and adequate records of and for the administration of the Fund and the Vacation-Holiday Plan. The Board may require the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, any Employee or any other beneficiary under the Plan to submit to it any information, data, report or documents reasonably relevant to and suitable for the purposes of Plan administration. However, neither the Union nor any affiliated local union will be required to submit membership lists. The parties agree that they will use their best efforts to secure compliance with any reasonable request of the Board for information, data, report or documents. Upon receipt of a written request from the Board, an Individual Employer agrees to permit an auditor designated by the Board to enter upon the premises of that Individual Employer during business hours, at a reasonable time or times, not less than 2 working days after the request was made, to examine and copy the books, records, papers or reports of that Individual Employer necessary to determine whether that Individual Employer is making full and prompt payment of all sums required to be paid by him or it to the Fund.

Any action to secure compliance with the provisions of this Section or any other provision of this Trust Agreement, to enforce the prompt payment of Contributions or any other sums owed to the Fund, or arising out of any dispute concerning the interpretation, application or enforcement of this Section or of any other provision of the Trust Agreement, will be brought and tried in a court of competent jurisdiction located in the City and County of San Francisco. Each party to any action expressly waives any right to change the venue of that action to any other county or to any other place.

Section 8. The books of account and records of the Board of Trustees, including the books of account and records pertaining to the Fund, are to be audited at least once each year by an independent qualified public accountant, engaged by the Board on behalf of all Plan participants, who will conduct an examination of any financial statements of the Fund and Vacation-Holiday Plan, and of other books and records of the Fund and Vacation-Holiday Plan, as required by ERISA. A statement of the results of the annual audit will be available for inspection by interested persons at the principal office of the Fund and at any other suitable place designated by the Board. The Board will also make all other reports required by law.

Section 9. Compatible with equitable principles and to the extent that sound accounting principles permit, the Board of Trustees may, by unanimous vote, coordinate its activities in the administration of the Fund and the Vacation-Holiday Plan with the administrative activities of the governing boards of trustees of other trust funds or vacation plans, established for employees in the building and construction industry to the extent necessary or desirable to minimize costs, eliminate unnecessary bookkeeping and other expenses for the Individual Employers and avoid or eliminate duplicate Contributions for the same Employee.

The authority granted by this Section includes, without limitation, the authority to enter into agreements or other arrangements with any other boards of trustees or administrative boards providing for a joint administrative office, or for the performance of services by one board or plan for another board, or for the reciprocal exchange of funds. The costs involved in the execution of any agreement or arrangement will be shared by the participating plans in proportion to the benefits received by the respective plans and, as near as may be practicable, the agreement or arrangement will be operated without profit or loss to any of the participating plans. Any sums received pursuant to the agreement or arrangement will be paid into and become a part of the Fund. If the agreement or arrangement is found to be or becomes inconsistent with the continuance of the existing status of the Fund for tax purposes, the provision or provisions of the agreement or arrangement causing the inconsistency will become inoperative.

Section 10.

(A) The Board of Trustees may enter into an agreement with the board of trustees of any other vacation trust fund, which is established or maintained pursuant to a collective bargaining agreement for employees in the building and construction industry, providing for the consolidation or merger of the Fund with the other fund, upon any terms and conditions the Board determines, subject to the prior written approval of the agreement by the Employer and the Union, and may accept the transfer of monies, accounts, contracts, liabilities, property and any other investments or rights, provide for the payment of benefits and otherwise execute and carry out the terms of the agreement.

(B) In the event the Board of Trustees approves the consolidation or merger of the Fund, as the acquiring Board, the Board of Trustees has the power to appoint an equal number of employer trustees and employee trustees from the existing board of trustees of the merging fund to the Board of Trustees. These trustees will serve at the discretion of the Board of Trustees and for so long as the Board of Trustees may deem desirable.

ARTICLE V

Procedure of Board of Trustees

Section 1. The Board of Trustees will determine the time and place for regular periodic meetings of the Board. Either the Chairman or the Co-Chairman, or any 2 members of the Board, may call a special meeting of the Board by giving written notice to all other Trustees of the time and place of the meeting at least 5 days before the date set for the meeting. Any notice of the special meeting is sufficient if sent by ordinary mail or by wire addressed to the Trustee at his address shown in the records of the Board. Any meeting at which all Trustees are present, or concerning which all Trustees have waived notice in writing, will be a valid meeting without the giving of any notice.

Section 2. The Board will appoint a secretary to keep minutes or records of all meetings, proceedings and acts of the Board. The minutes need not be verbatim.

Section 3. The Board may not take any action or make any decision on any matter coming before it or presented to it for consideration or exercise any power or right given or reserved to it or conferred upon it by this Trust Agreement, except upon the vote of a majority of all of the Trustees at a meeting of the Board duly and regularly called or except by the signed concurrence of all Trustees without a meeting.

In the event of the absence of any Employer Trustee from a meeting of the Board, the Employer Trustees present at the meeting may vote on behalf of the absent Employer Trustee and if the Employer Trustees cannot all agree as to how the vote of the absent Employer Trustee is to be cast then it will be cast as the majority of the Employer Trustees determine, or in the absence of a majority determination, it will be cast as the Employer Trustee Chairman or Co-Chairman of the Board determines. In the event of the absence of any Employee Trustee from a meeting of the Board, the Employee Trustees present at the meeting may vote on behalf of the absent Employee Trustee in the same manner provided for the Employer Trustees to cast the vote of any absent Employer Trustee.

Section 4. All meetings of the Board will be held at the principal office of the Fund unless another place is designated by the Board.

Section 5. Upon any matter which may properly come before the Board of Trustees, the Board may act in writing, without a meeting, provided the action has the concurrence of all of the Trustees.

ARTICLE VI

General Provisions Applicable to Trustees

Section 1. The provisions of this Article are subject to and qualified by the provisions of ERISA to the extent that those provisions are constitutionally applicable. In order to induce experienced, competent and qualified persons and entities to serve as fiduciaries, to deal with the Fund and the Board of Trustees and to participate in other ways in the administration and operation of the Fund and Plan and to further the interests of the participants and beneficiaries of the Plan, it is the intent and purpose of the parties to provide for the maximum permissible protection and indemnification of those persons or entities from and against personal liability, loss, cost or expense as a result of the service, dealing or participation. Therefore, the provisions of this Article will be liberally construed and applied to accomplish this objective.

Section 2. No party who has verified that he or it is dealing with the duly appointed Trustees is obligated to see to the application of any money or property of the Fund, or to see that the terms of this Trust Agreement have been complied with, or to inquire as to the necessity or expediency of any act of the Trustees. Every instrument executed by the Board of Trustees or by its direction will be conclusive in favor of every person who relies on it, that (A) at the time of the delivery of the instrument this Trust Agreement was in full force and effect, (B) the instrument was executed in accordance with the terms and conditions of this Trust Agreement, and (C) the Board was duly authorized to execute the instrument or direct its execution.

Section 3. The duties, responsibilities, liabilities and limitations of any Trustee under this Trust Agreement are determined solely by the express provisions of this Trust Agreement and no further duties, responsibilities, liabilities or limitations will be implied or imposed.

Section 4. The Trustees will incur no liability, either collectively or individually, in acting upon any papers, documents, data or information believed by them to be genuine and accurate and to have been made, executed, delivered or assembled by the proper parties. The Trustees may delegate any of their ministerial powers or duties to any of their agents or employees. No Trustee will incur any liability for simple negligence, oversight or carelessness in connection with the performance of his duties as a Trustee. No Trustee will be liable for the act or omission of any other Trustee. The Fund will exonerate, reimburse and save harmless the Trustees, individually and collectively, against any and all liabilities and reasonable expenses arising out of their trusteeship, except (as to the individual Trustee or Trustees directly involved) for expenses or liabilities arising out of willful misconduct or gross negligence. No expense will be deemed reasonable under this Section until it has been approved by the Board of Trustees.

Section 5.

(A) Except as otherwise provided in Subsection (B) of this Section, upon request of a Trustee, former Trustee, or the legal representative of a deceased Trustee or former Trustee, the Board of Trustees will provide for the defense of any civil action or proceeding brought against the Trustee, former Trustee or estate of a deceased Trustee or former Trustee, in his capacity as a Trustee or former Trustee or in his individual capacity, or in both, on account of any act or omission in the scope of his service or duties as a Trustee of the Fund. For the purposes of this Section, a cross-

action, counterclaim, cross-complaint or administrative or arbitration proceeding against a Trustee or former Trustee or his estate is deemed to be a civil action or proceeding brought against him or it.

(B) The Board of Trustees may refuse to provide for the defense of a civil action or proceeding brought against a Trustee, former Trustee or his estate if the Board determines that:

(1) The act or omission was not within the scope of his service as a Trustee of the Fund; or

(2) He acted or failed to act in breach of his fiduciary duty because of willful misconduct or gross negligence; or

(3) The defense of the action or proceeding by the Board would create a conflict of interest between the Board or the Fund and the Trustee, former Trustee or his estate.

(C) The Board of Trustees may provide for the defense of a criminal action brought against a Trustee or former Trustee if:

(1) The criminal action or proceeding is brought on account of an act or omission in the scope of his services or duties as a Trustee or former Trustee; and

(2) The Board determines that the defense would be in the best interests of the Fund and its participants and beneficiaries and that the Trustee or former Trustee acted, or failed to act, in good faith, without actual malice and in the apparent interests of the Fund and its participants and beneficiaries.

(D) The Board may provide for a defense pursuant to this Section by Fund counsel or co-counsel, by employing other counsel or by purchasing insurance which requires that the insurer provide the defense. All of the expenses of providing a defense pursuant to this Section are proper charges against the Fund. The Fund will have no right to recover these expenses from the Trustee, former Trustee or his estate.

(E) If the Board fails or refuses to provide a Trustee, former Trustee or his estate with a defense against a civil action or proceeding brought against him or it and the Trustee, former Trustee or legal representative retains his own counsel to defend the action or proceeding, he will be entitled to recover from the Fund any reasonable attorney's fees, costs and expenses incurred by him in defending the action or proceeding if the action or proceeding arose out of an act or omission in the scope of his service or duties as a Trustee of the Fund, unless the Board establishes that the Trustee or former Trustee acted or failed to act in breach of his fiduciary duty because of willful misconduct or gross negligence.

Section 6. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, nor any of the Trustees are responsible or liable for:

(A) The validity of this Trust Agreement or the Vacation-Holiday Plan;

(B) The form, validity, sufficiency or effect of any contract which may be entered into by the Board;

(C) Any delay occasioned by any restriction or provision in this Trust Agreement, the Plan, the rules and regulations of the Board of Trustees, or by any other proper procedure in the administration of the Fund. However, this clause will not excuse any violation of the Collective Bargaining Agreement; or

(D) The making or retention of any deposit or investment of the Fund, or the disposition of any investment, or the failure to make any investment of the Fund, or any loss or diminution of the Fund, except any loss due to the gross neglect or willful misconduct of a particular person.

Section 7. Neither the Employer, any Signatory Association, any Individual Employer, the Union, nor any affiliated local union will be liable in any respect for any of the obligations or acts of the Trustees because the Trustees are in any way associated with the Employer, any Signatory Association, any Individual Employer, the Union, or any affiliated local union.

Section 8. In accordance with applicable laws and regulations, the Board of Trustees may provide for the reimbursement to the Trustees of expenses reasonably and actually incurred in the performance of their duties as Trustees, including attendance at educational or training conferences, institutes or other meetings relevant to the duties as authorized by the Board.

Section 9. Any Trustee who resigns or is removed from office must immediately turn over to the Chairman or Co-Chairman of the Board of Trustees at the principal office of the Fund any and all records, books, documents, money and other property in his possession or under his control which belong to the Fund or which were received by him in his capacity as a Trustee.

Section 10. The name of the Fund may be used to designate the Trustees collectively and all instruments may be effected by the Board of Trustees in the name of the Fund.

ARTICLE VII

Corporate Co-Trustee or Custodian

Section 1. A Corporate Co-Trustee or Custodian and any successor may be appointed by the Board of Trustees.

Section 2. The Corporate Co-Trustee or Custodian may not be a representative of either the Employer or the Union.

Section 3. The duties, responsibilities, rights and powers of the Corporate Co-Trustee or Custodian are those delegated to it by the Board of Trustees and will be set forth in a contract between the Board and the Corporate Co-Trustee or Custodian. If so designated, the Corporate Co-Trustee or Custodian will act as a fiduciary.

ARTICLE VIII

Arbitration

Section 1. In the event that the Trustees deadlock on any matter arising in connection with the administration of the Fund or the Plan, they will agree upon a neutral person to serve as an impartial umpire to decide the dispute. The Employer Trustees and the Employee Trustees may, by mutual agreement, select an equal number of representatives from their respective Trustee groups to sit with the umpire to constitute a Board of Arbitration. The decision of a majority of this Board of Arbitration will be final and binding upon the Trustees, the parties and the beneficiaries of this Trust Agreement and the Plan. Otherwise, the decision of the impartial umpire will be final and binding upon the Trustees, the parties and the beneficiaries of the Trust Agreement and the Plan.

Any matter in dispute and to be arbitrated must be submitted to the Board of Arbitration or the impartial umpire, in writing, and in making its or his decision, the Board of Arbitration or umpire is bound by the provisions of this Trust Agreement, the Plan and the Collective Bargaining Agreement and has no authority to alter or amend the terms of those Agreements. If the Trustees cannot jointly agree upon a statement submitting the matter to arbitration, each Trustee group will prepare a written statement containing its version of the dispute and the question or questions involved. The decision of the Board of Arbitration or the impartial umpire will be available in writing within 10 days after the submission of the dispute.

Section 2. If no agreement on an impartial umpire is reached within 10 days, or within the time the Trustees mutually agree upon, on petition of either the Employee Trustees or the Employer Trustees, an umpire will be appointed by the United States District Court for the Northern District of California.

Section 3. The reasonable expenses of any arbitration, including any necessary court proceedings to secure the appointment of an umpire or the enforcement of the arbitration award (excluding the fees and expenses of witnesses called by the parties and the cost of any attorneys other than the Fund attorneys selected pursuant to Article IV, Section 4(D)), are a proper charge against the Fund. No expenses will be deemed reasonable under this Section until these expenses have been approved by the Board of Trustees.

Section 4. No matter in connection with the interpretation or enforcement of the Collective Bargaining Agreement is subject to arbitration under this Article. No matter which is subject to arbitration under this Article is subject to the grievance procedure or any other arbitration procedure provided in the Collective Bargaining Agreement.

ARTICLE IX

General Provisions

Section 1. Subject to the provisions of the Collective Bargaining Agreement, the rights and duties of all parties, including the Employer, the Signatory Associations, the Individual Employers, the Union, the affiliated local unions, the Employees, any other beneficiaries, and the Trustees, are governed by the provisions of this Trust Agreement and the Plan.

Section 2. No Employee or other beneficiary or person has any right or claim to benefits under the Vacation-Holiday Plan other than as specified in the Plan.

Any claim to benefits from the Fund and any claim or right asserted under the Plan or against the Fund, regardless of the basis asserted for the claim and regardless of when the act or omission upon which the claim is based occurred, will be resolved by the Board of Trustees. The Board's decision with regard to the claim or right will be final and binding upon all persons affected by the decision. The Board of Trustees has established a procedure for the presentation, consideration and determination of any claim or right, which complies with ERISA.

No action may be brought for benefits under the Plan or to enforce any right or claim under the Plan or against the Fund until after the claim for benefits or other claim has been submitted to and determined by the Board in accordance with the established procedure. The only action which may be brought is one to enforce the decision of the Board or to clarify the rights of the claimant under that decision. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, nor any of the Trustees will be liable for the failure or omission, for any reason, to pay any benefits under the Plan.

Section 3. Any notice required to be given under the terms of this Trust Agreement, the Plan or the rules and regulations of the Board of Trustees will be deemed to have been duly served if delivered personally to the person to be notified in writing, or if mailed in a sealed envelope, postage prepaid, to that person at his last known address shown in the records of the Fund or if sent by wire to that person at the last known address.

Section 4. This Trust Agreement is binding upon and will inure to the benefit of all Individual Employers who are now or may become members of the Employer, any Signatory Association, and the heirs, executors, administrators, successors, purchasers and assigns of the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, and the Trustees.

Section 5. All questions pertaining to this Trust Agreement, the Trust Fund or the Plan, and their validity, administration and construction, will be determined in accordance with the laws of the United States and any applicable laws of the State of California.

Section 6. If any provision of this Trust Agreement, the Plan, the rules and regulations of the Board or any step in the administration of the Fund or the Plan is held to be illegal or invalid for any reason, that illegality or invalidity will not affect the remaining portions of this Trust Agreement, the Plan or the rules and regulations, unless that illegality or invalidity prevents accomplishment of the

objectives and purposes of this Trust Agreement and the Plan. In the event this occurs, the parties will immediately commence negotiations to remedy any defect.

Section 7. Except to the extent necessary for the proper administration of the Fund or the Plan, all books, records, papers, reports, documents, or other information obtained with respect to the Fund or the Plan are confidential and will not be made public or used for any other purposes. Nothing in this Section will prohibit the preparation and publication of statistical data and summary reports with respect to the operations of the Fund and the Plan.

Section 8. In the establishment and maintenance of the Plan, and in the execution, amendment and implementation of this Trust Agreement, the Union acts for and on behalf of the Employees and as their collective bargaining representative and agent, and every agreement or act of the Union in connection with the establishment, maintenance and operation of the Fund or the Plan is deemed to be and is the agreement or act of the Employee, or Employees, concerned or affected by that agreement or action.

Section 9. In the establishment and maintenance of the Plan, and in the execution, amendment and implementation of this Trust Agreement, the Employer acts for and on behalf of the Individual Employers who, at the time of the execution of this Agreement are or who may become members of the Employer or any Signatory Association and on behalf of any other Individual Employer who is required by the Collective Bargaining Agreement to make Contributions to the Fund or who in fact makes one or more Contributions to the Fund. Every agreement or act of the Employer in connection with the establishment, maintenance and operation of the Fund or the Plan is deemed to be and is the agreement or act of the Individual Employer, or Individual Employers, concerned or affected by that agreement or action.

Section 10. Any payment required by a decision of the Board is due and payable in the City and County of San Francisco and any action or proceeding to enforce or clarify a decision of the Board must be brought in a court of competent jurisdiction in that City and County. Any action or proceeding affecting the Fund or the Plan will be brought solely against the Fund as an entity, and solely by or on behalf of the claimant in the claims procedure established pursuant to Section 2 of this Article. Neither the Employer nor any Signatory Association or Individual Employer, the Union, any affiliated local union, any Employee, beneficiary or other person is entitled to notice of any action or proceeding or to service of process. Any final judgment entered in any action or proceeding is binding upon all of the above named parties so long as the judgment does not attempt or purport to impose any personal liability upon or against any party not joined or not served in the action or proceeding.

ARTICLE X

Vacation-Holiday Benefits

Section 1. The Vacation Plan is established for the benefit of the Employees and the objective of the Plan is to provide the Employees with paid vacations from work, allowing the Employee to return to his work refreshed and reinvigorated and securing to the Individual Employer the performance of better and more efficient work. The restrictions imposed by the Plan upon the use and enjoyment by the Employees of the money contributed by the Individual Employers are for the purpose of accomplishing this objective, and are voluntarily assumed and agreed to by the Employees for this purpose.

Section 2. On and after January 1, 1964, the Employees entitled to vacation benefits have the right to be paid the sums credited to their respective vacation accounts subject to the terms and conditions specified in this Article and subject to any further terms and conditions adopted by the Board of Trustees pursuant to the authority granted by this Trust Agreement.

Section 3. The period during which vacations can be taken will be from January 1 of each year through December 31 of that year (the "Vacation Year"). The sums credited to each vacation-holiday account for work performed during the period from August 1 of each calendar year to January 31 of the succeeding calendar year and any supplemental payments authorized by the Board of Trustees, will be distributed on or about April 30 of that year and the sums credited to each vacation-holiday account for work performed during the period February 1 through July 31 and any supplemental payments authorized by the Board, will be distributed on or about October 31 of that year. Each distribution of vacation-holiday benefits and supplemental payments, if any, will be made by check mailed to Employees in a single mailing directed by the Board of Trustees not later than the date specified in this Section.

Section 4. Each Employee who is currently employed agrees to give his employer at least 30 days notice of the time at which he desires to go on vacation, unless the Individual Employer waives the notice or agrees to a shorter period of notice. The starting time and the duration of the vacation will be fixed by mutual agreement between the Individual Employer and the Employee. In fixing the starting time and duration of a vacation, due consideration will be given to prevailing conditions at the individual job site. Unless the Individual Employer agrees to the contrary, not more than 20% of the Individual Employer's Employees can be on vacation at the same time.

Section 5. Each Employee who desires to go on a vacation must complete the necessary forms and comply with the procedures prescribed by the Board of Trustees.

Section 6. It is the intent and purpose of the Plan and this Agreement, and a material part of the consideration for the making of Contributions to the Fund by Individual Employers, that the money in each vacation account be received by the Employee personally and in fact be used by him personally to enable him to take a bona fide vacation from work and for no other purpose. The money credited to a vacation account is subject to withdrawal only at the times, in the manner and for the purposes specified in this Trust Agreement.

Section 7. The amount otherwise payable to an Employee as vacation benefits may be accumulated from year to year subject to certain conditions. If the Board is not advised as to an address to which notices and checks may be sent to an Employee within 4 calendar years after the start of a Vacation Year, or if the amount in the account is not withdrawn within the 4 calendar year period for any reason, the amount in the account, including any amount received after the start of the Vacation Year, will be deemed contributed to the cost of maintaining the Plan. All of these amounts will be transferred promptly to the administrative account of the Plan. If the Fund is unable to distribute to an Employee the amount in his account due to the lack of a correct address or otherwise and the Employee subsequently makes a written application to the Board in a manner prescribed by the Board, the amount in the Employee's vacation account will be paid consistent with the rules and regulations of the Plan.

Section 8. Each Employee entitled to benefits under the Plan must file with the Board of Trustees a designation of the person to whom benefits will be paid in the event of the Employee's death. The Employee may change a beneficiary at any time by signing and filing a new beneficiary designation form with the Fund. If an Employee dies, the amount credited to his vacation account will be paid to the beneficiary named by the Employee, or if no beneficiary is named, or the named beneficiary is dead, to the person or persons entitled by law. Payment to that person or persons will be a complete discharge of liability to the extent of the payment. The person or persons claiming any payment must file with the Board a signed application for the payment and proof of the death of the Employee, and of the right of the applicant or applicants to receive the payment, on forms and in the time prescribed by the Board. If the application and proof is not filed within the allotted time, the person or persons entitled to the payment are deemed to have elected to contribute that amount to the cost of maintaining the Vacation-Holiday Plan and to have released to the Board and the Plan all right, title and interest in and to that payment.

Section 9. It is not a contractual obligation, but it is the policy of the Individual Employers, that any Employee who has been compelled to take a vacation and who has returned to work on the first regular working day following the end of his vacation as previously designated to his Individual Employer will be reinstated on the payroll to perform the same duties he performed prior to his vacation, unless the reinstatement is impracticable due to conditions beyond the Individual Employer's reasonable control, such as weather conditions, completion of the work or other similar circumstances.

Section 10. The Fund is further designated as the Laborers Vacation-Holiday Dues Supplement Trust Fund for Northern California referred to in the Laborers Master Agreements, as amended. Notwithstanding any other provision of this Trust Agreement, the Board of Trustees is authorized and is expressly directed by the parties, to deduct the amount specified in the Laborers Master Agreements (or the same or similar provisions of any other agreement to which the Union is a party), from the undisbursed vacation-holiday benefits of every Employee executing a voluntary dues authorization, as required by law, for all hours worked by or paid to an Employee on or after August 1, 1974, and to remit that amount to the Union not less than 4 times per year as supplemental membership dues of the Employee. The Union will provide the Board with a receipt for each remittance, signed by its Executive Officer. The Fund will send each Employee from whose benefits a deduction has been made an annual statement specifying the amount of the deduction.

ARTICLE XI

Non-Member Employers

Section 1. Upon the approval of the Board of Trustees, any Individual Employer who is not a member of or represented by the Employer or a Signatory Association but who is performing work coming within the jurisdiction of the Union may become a party to this Trust Agreement by executing in writing and depositing with the administrative office of the Board of Trustees his or its acceptance of the terms of this Trust Agreement, in a form acceptable to the Board.

Section 2. Any Individual Employer who executes and deposits any written acceptance, or who in fact makes one or more Contributions to the Fund with the approval of the Board of Trustees, assumes and is bound by all of the obligations imposed by this Trust Agreement upon the Individual Employer, is entitled to all rights under this Trust Agreement and is otherwise subject to it in all respects.

ARTICLE XII

Amendment and Termination

Section 1. The provisions of this Trust Agreement may be amended or modified at any time by mutual agreement of the Employer and the Union subject to the terms and conditions of the Collective Bargaining Agreement and any applicable law or regulation. Any amendment or modification to this Trust Agreement may be executed in counterpart.

Section 2. This Trust is irrevocable and the provisions of this Trust Agreement will continue in effect during the term of the Collective Bargaining Agreement, including any amendment, renewal or extension which provides for the continuation of payments into the Fund and the Vacation-Holiday Plan.

Section 3. This Trust Agreement and the Trust Fund may be terminated by the Employer and the Union by an instrument in writing executed by mutual consent at any time, subject to the provisions of Section 4 of this Article. Upon the termination of the Trust, any money remaining in the Fund after the payment of all expenses and obligations of the Trust will be used for the continuance of one or more benefits of the type provided by the Plan until the Fund is exhausted.

Section 4. In no event can any amendment or modification of this Trust Agreement, or the termination of this Trust, result in any portion of the Fund revert to, or be recoverable by the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, or result in the diversion of any portion of the Fund to any purpose other than the exclusive benefit of Employees, or their beneficiaries under the Plan and the payment of administrative expenses of the Fund and the Plan.

Section 5. In no event will the Trust established by this Trust Agreement continue for a longer period than is permitted by law.

Executed this 19th day of November 2008, in San Francisco, California.

EMPLOYER:

Associated General Contractors of California, Inc.

By *signed* Thomas Holsman

UNION:

Northern California District Council of Laborers, affiliated with the Laborers' International Union of North America, AFL-CIO

By *signed* Jose Moreno

ACCEPTANCE OF OFFICE BY TRUSTEES

The undersigned accept office as Trustees appointed pursuant to this Trust Agreement and agree to act under and be subject to the terms and conditions of this Agreement. The undersigned declare that they hold the Fund created by this Agreement in trust for the uses and purposes set forth in this Agreement.

Dated: June 4, 1963

INITIAL EMPLOYER TRUSTEES

A.E. Holt
W.L. Ames, Jr.
G.S. Herrington
Morris K. Daley
Carl K. Lawrence

INITIAL EMPLOYEE TRUSTEES

Charles Robinson
Percy L. Ball
Harry Whitehouse
Philip Thorpe
Jay Johnson

SUBSTITUTION OF TRUSTEES

Changes in the composition of the Board of Trustees since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

CHANGES IN CONTRIBUTION RATE

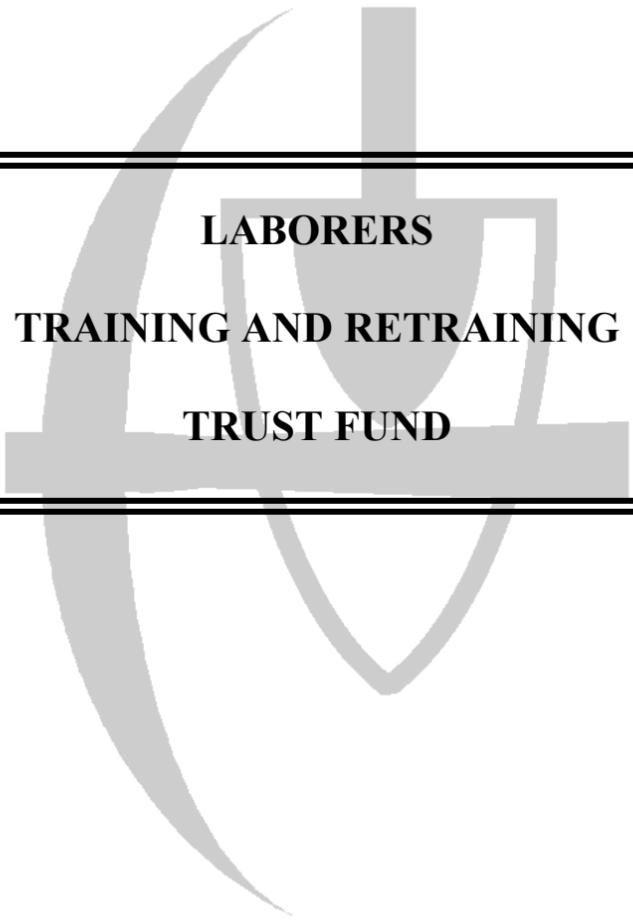
Changes in the contribution rate since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

CORPORATE CO-TRUSTEE OR CUSTODIAN

Changes in the Corporate Co-Trustee or Custodian are available at the Laborers Funds Administrative Office of Northern California, Inc.

NOTES

NOTES



**LABORERS
TRAINING AND RETRAINING
TRUST FUND**

**LABORERS
TRAINING AND RETRAINING TRUST FUND
FOR NORTHERN CALIFORNIA**

BOARD OF TRUSTEES

Employer Trustees

Gil Crosthwaite

Ben Kerr

Robert Chrisp

Sue Weiler-Doke

Manuel De Santiago

Employee Trustees

Oscar De La Torre
Chairman

Doyle Radford

David Gorgas

Bruce Rust

Fernando Estrada

INDEX

LABORERS TRAINING AND RETRAINING TRUST FUND FOR NORTHERN CALIFORNIA

	Page
Recitals.....	1
Article I Definitions.....	3
Article II Trust Fund.....	5
Article III Board of Trustees.....	8
Article IV Functions and Powers of Board of Trustees	9
Article V Procedure of Board of Trustees	14
Article VI General Provisions Applicable to Trustees.....	15
Article VII Corporate Co-Trustee or Custodian.....	18
Article VIII Arbitration.....	19
Article IX General Provisions.....	20
Article X Non-Member Employers	23
Article XI Amendment and Termination	24

**AMENDED AND RESTATED
TRUST AGREEMENT ESTABLISHING
LABORERS TRAINING AND RETRAINING
TRUST FUND FOR NORTHERN CALIFORNIA**

SEPTEMBER 2008

This TRUST AGREEMENT, which was entered into on November 19, 1968, by and between the Northern and Central California Chapters, the Associated General Contractors of America, Inc., Engineering and Grading Contractors Association of California, Inc. and California Contractors Council, Inc., referred to collectively as the “**Employer**” and the Northern California District Council of Hod Carriers, Building and Construction Laborers of the Laborers International Union of North American, referred to as the “**Union**,” recites and provides as follows:

Recitals:

1. The Employer, and other employer organizations signatory to this Trust Agreement, are parties to collective bargaining agreements with the Union, known respectively as the Laborers 46 Northern California Counties Master Agreement and the Laborers 46 Northern California Counties Tunnel Master Agreement, which provide that each Individual Employer covered by these Master Agreements will contribute the amount specified in the Master Agreements to the Laborers Training and Retraining Trust Fund for Northern California for each hour paid for or worked by laborers employed by an Individual Employer.

2. In addition, various Individual Employers performing work within the area covered by the Master Agreements are now or will become parties to collective bargaining agreements with the Union requiring these Individual Employers to comply with the wages, hours, and working conditions set forth in the Master Agreements, or providing for payments to training and retraining programs for Employees covered by collective bargaining agreements.

3. The parties have agreed that these Contributions are payable to and will be deposited in the Trust Fund created and established by this Trust Agreement.

4. Pursuant to the Master Agreements and other collective bargaining agreements, a Subcommittee negotiated the details of the training and retraining program referred to in the Master Agreements, including the details of the Trust established by this Trust Agreement.

5. Pending completion of the negotiations, the Subcommittee entered into an Escrow Agreement with the Bank of America, dated June 16, 1968, providing for the payment of Contributions coming due under the collective bargaining agreements for work performed on and after June 16, 1968, into an escrow account with the Bank, known as the Laborers Training and Retraining Trust Fund for Northern California Escrow Account, pending the execution of this Trust Agreement, and under the Escrow Agreement, Contributions have been paid by Individual Employers into that account.

6. The Trust Fund being created and the training and retraining programs being implemented will, at all times, conform to the applicable requirements of the Labor-Management

Relations Act of 1947, as amended, the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and any other applicable laws, and be qualified pursuant to the applicable provisions of the Internal Revenue Code, as amended, for all available exemptions and immunities.

7. The Employer and the Union referred to in the Master Agreements have negotiated the following terms and provisions of this Trust Agreement governing the establishment and administration of the Laborers Training and Retraining Trust Fund for Northern California.

8. The purpose of this Trust Agreement is to provide for the establishment of the Trust Fund and for the maintenance of the training and retraining programs in accordance with the terms of the collective bargaining agreements and this Trust Agreement.

9. Since the establishment of the Trust Fund, the Northern California Chapter and Central California Chapter, the Associated General Contractors of America, Inc. originally named as the “**Employer**” were merged into the Associated General Contractors of California, Inc., which succeeded to all of the rights and obligations of the “**Employer**” and is now the entity referred to as the “**Employer**.” The name of the **Union** has also been changed to Northern California District Council of Laborers, Affiliated with the Laborers’ International Union of North America, AFL-CIO.

10. The Employer and the Union have agreed that this Trust Agreement is amended and restated to conform with all of the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and any valid regulations issued consistent with that Act.

Provisions:

In consideration of the foregoing, and of the mutual promises stated, the parties agree as follows:

ARTICLE I

Definitions

Unless the context or subject matter requires otherwise, the following definitions govern in this Trust Agreement:

Section 1. The term “Collective Bargaining Agreement” means (a) the Laborers 46 Northern California Counties Master Agreement dated June 16, 1968, including any amendment, extension or renewal; (b) the Laborers 46 Northern California Counties Tunnel Master Agreement dated June 16, 1968, including any amendment, extension or renewal; and (c) any other collective bargaining agreement between the Union or any of its affiliated local unions and any Individual Employer or employer organization which provides for the making of contributions to the Training and Retraining Fund.

Section 2. The term “Individual Employer” means any employer who is required by the Collective Bargaining Agreement to make Contributions to the Training and Retraining Fund or who in fact makes one or more Contributions to the Fund. The term “Individual Employer” also includes the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union is affiliated and any corporation, trust or other entity that provides services to the Fund or provides services in the training or retaining of laborers, which make Contributions to the Fund with respect to the work of its Employees under a Subscriber’s Agreement, which has been approved by the Board of Trustees, but only to the extent that the inclusion of these Employees is permitted by existing laws and regulations. The Union, any affiliated local union, labor council, other labor organization, corporation, trust or other entity is an Individual Employer solely for the purposes of making Contributions to the Fund with respect to the work of its respective Employees and has no other rights or privileges under this Trust Agreement as an Individual Employer.

Section 3. The term “Employee” means any employee of any Individual Employer who performs one or more hours of work covered by the Collective Bargaining Agreement. The term “Employee” also includes: (a) employees of the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union is affiliated; and (b) employees of any corporation, trust or other entity that provides services to the Fund or provides services in the training and retraining of laborers but only to the extent this inclusion is pursuant to regulations adopted by the Board of Trustees and is permitted by existing laws and regulations.

Section 4. The term “Signatory Association” means any employer organization, other than the Employer, which is a party to this Trust Agreement or the Master Agreements and signs on behalf of its members or executes on behalf of its members any agreement to be bound by the terms of this Trust Agreement or a written acceptance or authorization of this Trust Agreement or one of the Master Agreements.

Section 5. The term “Trustee” means any natural person designated as Trustee under Article III of this Trust Agreement.

Section 6. The terms “Board of Trustees” or “Board” mean the Board of Trustees established by this Trust Agreement.

Section 7. The term “Training and Retraining Fund” or “Fund” means the Trust Fund created and established by this Trust Agreement.

Section 8. The term “Program” means Training and Retraining programs established by the Collective Bargaining Agreement, a labor-management agreement and this Trust Agreement including any amendment, extension or renewal.

Section 9. The term “Trust Agreement” means this Agreement and any amendment, extension or restatement.

Section 10. The term “Contribution” means the payment made or to be made to the Fund by an Individual Employer which is required by the Collective Bargaining Agreement.

Section 11. The term “affiliated local union” means any local union affiliated with the Union whose members perform work covered by the Master Agreements.

Section 12. The term ”ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any valid regulations issued consistent with that Act.

ARTICLE II

Trust Fund

Section 1. The Laborers Training and Retraining Trust Fund for Northern California, consists of all Contributions required by the Collective Bargaining Agreement to be made for the establishment and maintenance of the Training, Retraining and Educational Programs, including any interest, income and other returns of any kind.

Section 2. The Fund's principal office is in the City and County of San Francisco, California or any other place designated by the Board of Trustees.

Section 3. Contributions to the Fund do not constitute nor are they deemed to be wages due to Employee. No Employee is entitled to receive any part of the Contributions made or required to be made to the Fund in lieu of benefits provided by any Program.

Section 4. The Fund will be administered by the Board of Trustees for the exclusive benefit of the Employees consistent with the provisions of the Training and Retraining Programs. Notwithstanding anything to the contrary contained in this Trust Agreement or in the Programs, including any amendment, extension or modification, no portion of the Fund can at any time revert to, or be recoverable by, the Employer, any Signatory Association, any Individual Employer, the Union or any affiliated local union, or be used for, or diverted to, purposes other than for the exclusive benefit of the Employees and the payment of the administrative expenses of the Fund and the Programs, except for Contributions which may be refunded to an Individual Employer under applicable law.

Section 5. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any local union, any Employee, nor any other person has any right, title or interest in or to the Fund other than as specifically provided in this Trust Agreement or the Programs. Neither the Fund nor any Contributions to the Fund will be in any manner liable for or subject to the debts, contracts or liabilities of the Employer, any Signatory Association, any Individual Employer, the Union, any local union, or any Employee.

Section 6. Neither the Employer or any Signatory Association, nor any officer, agent, employee or committee member of the Employer or any Signatory Association will be liable for making Contributions to the Fund or be under any other liability to the Fund, except to the extent that he or it may be an Individual Employer required to make Contributions to the Fund with respect to his or its own individual or joint venture operations, or to the extent he may incur liability as a Trustee. The liability of any Individual Employer to the Fund is limited to the payments required by the Collective Bargaining Agreement with respect to his or its individual or joint venture operations, and in no event will he or it be liable or responsible for any portion of the Contributions due from other Individual Employers with respect to the operations of those Individual Employers. The basis on which payments are made to the Fund is specified in the Collective Bargaining Agreement, Subscriber's Agreement and this Trust Agreement. The Individual Employers will not be required to make any further payments or Contributions to the cost of the Fund or the Programs, except as may be provided in those Agreements.

Section 7. All amounts specified in Section 1 of this Article will be held in trust for the purpose of paying either from principal or income, or both, for the expense of one or more of the Training and Retraining or Educational Programs and the expense of establishing and administering the Fund.

Section 8. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, nor any Employee will be liable or responsible for any debts, liabilities or obligations of the Fund or the Trustees.

Section 9. Contributions to the Fund are due commencing June 16, 1968, for work on and after that date and are payable in San Francisco, California, in regular monthly installments starting on or before July 15, 1968, and continuing from month to month, subject to the provisions of the Collective Bargaining Agreement. The Contribution payable on or before July 15, 1968, included all payments which accrued for work performed during the period from June 16, 1968, up to the close of the Individual Employer's payroll period ending closest to the last day of the month. Each subsequent monthly Contribution must include all amounts which have accrued in the interim for work performed up to the close of the Individual Employer's payroll period ending closest to the last day of the preceding calendar month. Each monthly Contribution must be accompanied by a report in a form prescribed by the Board of Trustees. The rate of contribution paid by the Union, or any affiliated local union, pursuant to regulations adopted by the Board of Trustees, cannot be less than the rate of contribution required by the Collective Bargaining Agreement.

Section 10: Each Contribution to the Fund must be made promptly, but in no event later than the 25th of the calendar month in which it is due, on which date the Contribution, if not paid in full, is delinquent. If any Individual Employer fails to make his or its monthly Contribution in full on or before the 25th day of the month on 4 occasions within any 12-month period, the Board of Trustees may provide by resolution that, during the 12-month period immediately following the resolution, the 15th of the month is the delinquency date for that Individual Employer.

The Employer and Union recognize and acknowledge that the regular and prompt payment of Contributions to the Fund is essential to the maintenance of the Programs and have considered all pertinent factors bearing on the problem of Individual Employer delinquencies, including, without limitation, (1) the cost to the Fund of collection activities made necessary by those delinquencies, (2) the losses to the Fund resulting from the failure of delinquent Individual Employers to file the reports of Contributions at a time when moneys to pay Contributions is available, (3) the delay in and increased cost of providing programs for Employees due to delinquent Individual Employer reports and Contributions, and (4) the adverse effect of Individual Employer delinquencies upon the willingness to all other employers to make regular and prompt payments to the Fund. The Employer and Union have concluded that it remains extremely difficult, if not impracticable, to fix the actual expense and damage to the Fund and to the Training and Retraining Programs which results from the failure of an Individual Employer to pay the monthly Contributions in full within the time provided in the Trust Agreement. Furthermore, the Employer and Union have estimated that the cost and damage to the Fund is significant and that it would aid in the solution of the problem of Individual Employer delinquencies if the Trust Agreement provide: (1) that the cost and damages will be payable by the delinquent Individual Employers to the Fund as liquidated damages and not as a penalty,

effective for Contributions due for work performed on or after November 1, 2002; (2) that the Board of Trustees be granted authority to amend the liquidated damages and interest provisions applicable to delinquent Contributions; and (3) that any adjustments made by the Board of Trustees to the liquidated damages and interest provisions reflect the administrative and collection costs associated with the delinquent Contributions owed to the Fund. Therefore, the Employer and Union and any party signatory to the Collective Bargaining Agreement, authorize the Board of Trustees to set or amend the liquidated damages and interest provisions applicable to delinquent Contributions. Any adjustments implemented by the Board of Trustees will reflect the administration and collection costs associated with the delinquent Contributions due to the Trust Fund.

These amounts as determined by the Board will become due and payable to the Fund as liquidated damages and not as a penalty, in San Francisco, California upon the day immediately following the date on which the Contributions become delinquent and are in addition to any delinquent Contributions. The Contributions as increased are the amount required to be paid to the Fund.

ARTICLE III

Board of Trustees

Section 1. The Fund is administered by a Board of Trustees which consists of 5 Trustees representing the Individual Employers and 5 Trustees representing the Employees. The Trustees representing the Individual Employers are appointed in a writing signed by the Employer, who is irrevocably designated by each Individual Employer as his or its attorney-in-fact for the purpose of appointing and removing Trustees and successor Trustees. The Trustees representing the Employees are appointed by the Union in a writing signed by the Executive Officer of the Union.

The Employer and the Union expressly designate the Trustees jointly as named fiduciaries, who have the exclusive authority and discretion acting as the Board of Trustees to control and manage the operation and administration of the Fund and the Programs. Each of the Trustees expressly accepts designation as a fiduciary and as Trustee by written acceptance and signature of this Trust Agreement and assumes the duties, responsibilities and obligations of the Trustees created and established by this Trust Agreement and under applicable law. Any successor Trustee will also sign this Trust Agreement or a written acceptance in a form approved by and filed with the Board of Trustees.

Section 2. The Trustees agree to select one person to act as Chairman of the Board of Trustees and one to act as Co-Chairman, each to serve for a period as determined by the Board. When the Chairman is selected from among the Employer Trustees, the Co-Chairman will be selected from among the Union Trustees, and vice versa.

Section 3. Each Trustee will serve until his death, resignation or removal from office.

Section 4. A Trustee may resign at any time by serving written notice of his resignation upon the Secretary of the Board of Trustees at least 30 days prior to the date on which his resignation is to be effective. The Secretary will promptly notify, in writing, the Chairman and Co-Chairman of the Board, and the Employer and the Union of the Trustee's resignation.

Section 5. Any Employer Trustee may be removed from office at any time, for any reason, by a writing signed by the Employer and served on the Secretary of the Board of Trustees. Any Employee Trustee may be removed from office at any time, for any reason, by a writing signed by the Executive Officer of the Union and served on the Secretary of the Board of Trustees. The Secretary will promptly notify, in writing, the Chairman and Co-Chairman of the Board, the Trustee being removed and the Union or Employer of the removal.

Section 6. If an Employer Trustee dies, resigns or is removed from office, a successor Trustee will be promptly appointed in a writing signed by the Employer. If an Employee Trustee dies, resigns, or is removed from office, a successor Trustee will be promptly appointed in a writing signed by the Executive Officer of the Union.

ARTICLE IV

Functions and Powers of the Board of Trustees

Section 1. The Board of Trustees acting jointly has the power to control and manage the assets, operation and administration of the Fund and the Programs as a fiduciary and is required to exercise that authority with the care, skill, prudence and diligence under the prevailing circumstances that a prudent board acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of like character and with like aims. The Board has the authority to:

- (A) Appoint an investment manager or managers (as defined in ERISA) to manage (including the power to acquire and dispose of) any assets of the Fund;
- (B) Enter into an agreement allocating among Trustees the specific responsibilities, obligations or duties as the Board determines;
- (C) Designate persons other than named fiduciaries to carry out fiduciary responsibilities (other than Trustee responsibilities) under this Trust Agreement or the Program; and
- (D) Employ one or more persons to provide advice with regard to any responsibility the Board has under this Trust Agreement or the Programs.

Any person or entity appointed, designated or employed by the Board agrees to act solely in the interests of the participants and beneficiaries of the Fund and the Programs.

The Board of Trustees will establish and conduct a training program for the purpose of educating, training and retraining persons to perform work covered by the Collective Bargaining Agreement, to acquire new skills, to upgrade skills, and to develop and acquire techniques and skills necessary to meet technological changes in the construction industry, and have the power and duty to administer the Fund and to payout the assets of the Fund for that purpose.

Section 2. All Contributions to the Fund are due and payable in San Francisco, California, and must be paid to, received and held by the Fund subject to the terms and provision of this Trust Agreement. The acceptance and cashing of any checks for Contributions, and the disposition of monies covered in accordance with this Trust Agreement, will not release or discharge the Individual Employer from his or its obligation under the Collective Bargaining Agreement for hours paid or worked for which no Contributions have actually been received, notwithstanding any statement, restriction or qualification appearing on the check or any attachment to the check.

The Board of Trustees may direct that any check may be a single check covering monies payable to one or more other funds and may join with the boards of trustees of other funds in instructing the bank or banks with regard to the allocation of the monies covered by that check among the funds. In the event these instructions are given they are binding upon the bank or banks, the Individual Employer, the Employees, the Employer, the Union, and all other parties.

Section 3. The Board of Trustees has the power in the name of the Fund, or jointly with other funds, as in its discretion may be deemed necessary or desirable, to demand and enforce, by suit, in court or otherwise, the prompt payment of Contributions to the Fund, including payments due to delinquencies as provided in Article II, Section 10, without being limited or restricted by any grievance or arbitration procedures provided in the Collective Bargaining Agreement. In addition the Board has the right to assert and enforce all priorities, lien rights, and other claims or rights with respect to any Contributions or payments belonging to the Trust Fund, or any of its participants, including the right to file priority and other claims in bankruptcy.

If any Individual Employer defaults in the making of Contributions or payments and if the Board consults legal counsel, or files any suit or claim, there will be added to the obligation of the Individual Employer who is in default, reasonable attorney's fees, court costs and all other reasonable expenses incurred in connection with the suit or claim, including any and all appellate proceedings.

Section 4. Without limitation of the provisions of Section 1 of this Article, the Board of Trustees has the power to:

(A) Pay out of the Fund the reasonable expenses incurred in the establishment of the Fund and the Programs;

(B) Establish and accumulate reserve funds as may be adequate to provide for administration expenses and other obligations of the Fund, including the maintenance of the Programs;

(C) Provide a procedure for establishing and carrying out a funding policy and method consistent with the objectives of the Programs and the requirements of ERISA including any applicable laws and regulations;

(D) Employ or engage executive, consulting, accounting, administrative, clerical, secretarial, legal or other employees, assistants or advisors, as necessary, to administer the Fund and the Programs and pay out of the Fund the compensation and necessary expenses of these employees, assistants or advisors and the cost of office space, furnishings and supplies and other essentials required in the administration of the Fund. If the Board is unable to agree upon the employment of an attorney, the Employer Trustees and the Employee Trustees may each select an attorney who are directed to act jointly in connection with the administration of the Fund, and the reasonable cost of the advice or services will be paid from the Fund. The Board will engage an independent qualified public accountant on behalf of all participants as required by ERISA;

(E) Incur and pay out of the Fund any other expenses reasonably incidental to the administration of the Fund and the Programs;

(F) Compromise, settle, or release claims or demands in favor of or against the Fund on any terms and conditions the Board deems desirable, including the power to continue, maintain and from time to time modify or revoke, in whole or in part, any policy and procedure for the waiver of all or part of the liquidated damage upon any terms and conditions the Board

determines would be in the interests of the Fund and its participants. However, this clause will not excuse any violation of the Collective Bargaining Agreement;

(G) Invest and reinvest the assets of the Fund in accordance with all applicable laws if no investment manager is designated and appointed by the Board. Investments may be made with a bank or other fiduciary to the fullest extent permitted by law. No indicia of ownership will be maintained outside the jurisdiction of the district courts of the United States, except to the extent permitted by law;

(H) Enter into contracts or policies in its own name or in the name of the Fund; terminate, modify or renew any contracts or policies subject to the provisions of the Trust Agreement; and exercise and claim all rights and benefits granted to the Board or the Fund by any contracts or policies;

(I) Purchase, sell, exchange, lease, convey, mortgage or otherwise dispose of or acquire any property, real, personal or mixed, on any terms the Board may deem proper and execute and deliver any and all instruments of conveyance or transfer;

(J) Borrow money; encumber or hypothecate real or personal property by mortgage, deed of trust (with power of sale), contract of sale, security agreement, pledge or otherwise; borrow money on the credit of the trust estate; and purchase real or personal property subject to, and assume the obligation secured by a mortgage, deed of trust (with power of sale), contract of sale, security agreement, pledge or otherwise;

(K) Construe the provisions of this Trust Agreement and the Programs and any construction adopted by the Board in good faith is binding upon any and all affected parties or persons;

(L) Pay any and all real or personal property taxes, income taxes, or other taxes or assessments of any kind levied or assessed upon the Fund, or Programs;

(M) Prepare periodic reports, descriptions, summaries and other information required by law or as the Board deems necessary or advisable, and file and furnish those reports, descriptions, summaries and other information to participants, the Union or its affiliated local unions, the Employer and Individual Employers, the Trustees, or other persons or entities, including government agencies as required by law or as deemed necessary by the Board;

(N) Maintain a bank account or bank accounts as necessary or advisable in the administration of the Fund or the Programs and to designate the person or persons authorized to sign checks and withdrawal orders on those accounts;

(O) Adopt and prescribe reasonable rules and procedures, which are consistent with the provisions of this Trust Agreement and the Programs, governing the reporting of Contributions, the entitlement to program benefits and any and all other matters in connection with the Fund and the Programs;

(P) Invest in group or collective investment trusts or investment companies; to the extent required by the provisions of any common or collective investment trust which has been qualified under Section 401(a) and is exempt under Section 501(a) of the Internal Revenue Code of 1986, as amended, the terms of the agreement or declaration of trust establishing that collective trust fund will be incorporated into this Trust and any assets invested in any collective trust fund will be held, invested and administered in accordance with that agreement or declaration of trust; and

(Q) Exercise and perform any and all of the other powers and duties specified in this Trust Agreement or the Programs.

Section 5. The Board of Trustees will provide at the expense of the Fund, where and to the extent permissible by applicable law, insurance and bonding protection for the Fund and for each Trustee, former Trustees or estate of a deceased Trustee or former Trustee and all persons who handle funds or other property of the Fund for any purpose. This protection will be purchased from companies and with limits determined by the Board.

Section 6. All checks, drafts, vouchers or other withdrawals of money from the Fund must be authorized in writing or countersigned by at least one Employer Trustee and one Employee Trustee.

Section 7. The Board of Trustees will maintain suitable and adequate records of and for the administration of the Fund and the Programs. The Board may require the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, or any Employee to submit to it any information, data, reports or documents reasonably relevant to and suitable for the purposes of Program administration. However, neither the Union nor any affiliated local union will be required to submit membership lists. The parties agree that they will use their best efforts to secure compliance with any reasonable request of the Board for any information, data, report or documents. Upon written request from the Board an Individual Employer agrees to permit an auditor designated by the Board to enter upon the premises of the Individual Employer during business hours, at a reasonable time or times, not less than 2 working days after the request was made, to examine and copy any books, records, papers or reports of that Individual Employer necessary to determine whether the Individual Employer is making full and prompt payment of all sums required to be paid by him or it to the Fund.

Any action to secure compliance with the provisions of this Section or any other provision of this Trust Agreement, to enforce the prompt payment of Contributions or any other sums owed to the Fund, or arising out of any dispute concerning the interpretation, application or enforcement of this Section or of any other provision of the Trust Agreement, must be brought and tried in a court of competent jurisdiction located in the City and County of San Francisco. Each party to any action expressly waives any right to change the venue of that action to any other county or to any other place.

Section 8. The books of account and records of the Board of Trustees, including the books of account and records pertaining to the Fund, will be audited at least once a year by a independent qualified public accountant, engaged by the Board on behalf of all Program participants, who will conduct an examination of the financial statements of the Fund and the

Program, and of other books and records of the Fund and Programs, as required by ERISA. A statement of the results of the annual audit will be available for inspection by interested persons at the principal office of the Fund and at other suitable places designated by the Board. The Board will also make all other reports required by law.

Section 9. Compatible with equitable principles and to the extent that sound accounting principles permit, the Board of Trustees may, by unanimous vote, coordinate its activities in the administration of the Fund and Programs with the administrative activities of the governing board or boards of any other fund or funds, established for employees in the building and construction industry to the extent necessary or desirable to minimize costs, eliminate unnecessary bookkeeping and other expenses for Individual Employers and to avoid or eliminate duplicate Contributions for the same Employee.

The authority granted by this Section includes, without limitation, the authority to enter into agreements or other arrangements with any other boards of trustees or administrative boards providing for a joint administrative office, or for the performance of services by one board or plan for another board, or for the reciprocal exchange of funds or credits. The costs involved in the execution of any agreement or arrangement will be shared by the participating programs in proportion to the benefits received by the respective programs and, as near as may be practicable, the agreement or arrangement will be operated without profit or loss to any of the participating programs. Any sums received pursuant to the agreement or arrangement will be paid into and become part of the Fund. If the agreement or arrangement is found to be or becomes inconsistent with the continuance of the existing status of the Fund for tax purposes or the deductibility of Contributions to the Fund and of benefits of these Programs, the provision or provisions of the agreement or arrangement causing the inconsistency will become inoperative.

Section 10.

(A) The Board of Trustees may enter into an agreement with the board of trustees of any other training trust fund, which is established or maintained pursuant to a collective bargaining agreement for employees in the building and construction industry, providing for the consolidation or merger of the Fund with other funds, upon terms and conditions the Board determines, subject to prior written approval of the agreement by the Employer and the Union, and may accept the transfer of monies, accounts, contracts, liabilities, property and any other investments or rights, provide for the payment of benefits and otherwise execute and carry out the terms of the agreement.

(B) In the event the Board of Trustees approves the consolidation or merger of the Fund as the acquiring Board, the Board of Trustees has the power to appoint an equal number of employer trustees and employee trustees from the existing board of trustees of the merging fund to the Board of Trustees. These trustees will serve at the discretion of the Board of Trustees and for as long as the Board of Trustees deems desirable.

ARTICLE V

Procedure of Board of Trustees

Section 1. The Board of Trustees will determine the time and place for regular periodic meetings of the Board. Either the Chairman or the Co-Chairman, or any 2 members of the Board, may call a special meeting of the Board by giving written notice to all other Trustees of the time and place of a meeting at least 5 days before the date set for the meeting. Any notice of a special meeting is sufficient if sent by ordinary mail or by wire addressed to the Trustee at his address as shown in the records of the Board. Any meeting at which all Trustees are present, or concerning which all Trustees have waived notice, in writing, is a valid meeting without the giving of any notice.

Section 2. The Board will appoint a secretary to keep minutes or records of all meetings, proceedings and acts of the Board. These minutes need not be verbatim.

Section 3. The Board may not take any action or make any decision on any matter coming before it or presented to it for consideration or exercise any power or right given or reserved to it or conferred upon it by this Trust Agreement, except upon the vote of a majority of all Trustees at a meeting of the Board duly and regularly called or except by the signed concurrence of all Trustees without a meeting.

In the event of the absence of any Employer Trustee from a meeting of the Board, the Employer Trustees present at the meeting may vote on behalf of the absent Employer Trustee and if the Employer Trustees cannot all agree as to how the vote of the absent Employer Trustee is to be cast, then it will be cast as the majority of the Employer Trustees determine or, in the absence of a majority determination, it will be cast as the Employer Trustee Chairman or Co-Chairman of the Board determines. In the event of the absence of any Employee Trustee from a meeting of the Board, the Employee Trustees present at the meeting may vote on behalf of the absent Employee Trustee in the same manner as provided for the Employer Trustees to cast the vote of any absent Employer Trustee.

Section 4. All meetings of the Board will be held at the principal office of the Fund unless another place is designated by the Board.

Section 5. Upon any matter which may properly come before the Board of Trustees, the Board may act in writing, without a meeting, provided the action has the concurrence of all of the Trustees.

ARTICLE VI

General provisions Applicable to Trustees

Section 1. The provisions of this Article are subject to and qualified by the provisions of ERISA to the extent that those provisions are constitutionally applicable. In order to induce experienced, competent and qualified persons and entities to serve as fiduciaries, to deal with the Fund and the Board of Trustees and to participate in other ways in the administration and operation of the Fund and Programs and to further the interests of the participants and beneficiaries of the Programs, it is the intent and purpose of the parties to provide for the maximum permissible protection and indemnification of those persons or entities from and against personal liability, loss, cost or expense as a result of any service, dealing or participation. Therefore, the provisions of this Article will be liberally construed and applied to accomplish this objective.

Section 2. No party who has verified that he or it is dealing with the duly appointed Trustees is obligated to see to the application of any money or property of the Fund, or to see that the terms of this Trust Agreement have been complied with, or to inquire as to the necessity or expedience of any act of the Trustees. Every instrument executed by the Board of Trustees or by its direction will be conclusive in favor of every person who relies on it, that (A) at the time of the delivery of the instrument this Trust Agreement was in full force and effect, (B) the instrument was executed in accordance with the terms and conditions of this Trust Agreement, and (C) the Board was duly authorized to execute the instrument or direct its execution.

Section 3. The duties, responsibilities, liabilities and limitations of any Trustee under this Trust Agreement are determined solely by the express provisions of the Trust Agreement and no further duties, responsibilities, liabilities or limitations can be implied or imposed.

Section 4. The Trustees will incur no liability, either collectively or individually, in acting upon any papers, documents, data or information believed by them to be genuine and accurate and to have been made, executed, delivered or assembled by the proper parties. The Trustees may delegate any of their ministerial powers or duties to any of their agents or employees. No Trustee will incur any liability for simple negligence, oversight or carelessness in connection with the performance of his duties as a Trustee. No Trustee is liable for the act or omission of any other Trustee. The Fund will exonerate, reimburse and save harmless the Trustees, individually and collectively, against any and all liabilities and reasonable expenses arising out of their trusteeship, except (as to the individual Trustee or Trustees directly involved) for expenses and liabilities arising out of willful misconduct or gross negligence. No expense is deemed reasonable under this Section unless and until approved by the Board of Trustees.

Section 5.

(A) Except as otherwise provided in Subsection (B) of this Section, upon request of a Trustee or former Trustee, or the legal representative of a deceased Trustee or former Trustee, the Board of Trustees will provide for the defense of any civil action or proceeding brought against the Trustee, former Trustee or estate of a deceased Trustee or, former Trustee, in his capacity as a Trustee or former Trustee or in his individual capacity, or in both, on account of

any act or omission in the scope of his service or duties as a Trustee of the Fund. For the purposes of this Section, a cross-action, counterclaim, cross-complaint or administrative or arbitration proceeding against a Trustee or former Trustee or his estate is deemed to be a civil action or proceeding brought against him or it.

(B) The Board of Trustees may refuse to provide for the defense of a civil action or proceeding brought against a Trustee or former Trustee or his estate if the Board determines that:

- (1) The act or omission was not within the scope of his service as a Trustee of the Fund; or
- (2) He acted or failed to act in breach of his fiduciary duty because of willful misconduct or gross negligence; or
- (3) The defense of the action or proceeding by the Board would create conflict of interest between the Board or the Fund and the Trustee, former Trustee or his estate.

(C) The Board of Trustees may provide for the defense of a criminal action brought against a Trustee or former Trustee if:

- (1) The criminal action or proceeding is brought on account of an act or omission in the scope of his services or duties as a Trustee or former Trustee; and
- (2) The Board determines that a defense would be in the best interests of the Fund and its participants and beneficiaries and that the Trustee or former Trustee acted, or failed to act, in good faith, without actual malice and in the apparent interests of the Fund and its participants and beneficiaries.

(D) The Board may provide for a defense pursuant to this Section by Fund counsel or co-counsel, or by employing other counsel or by purchasing insurance which requires that the insurer provide the defense. All of the expenses of providing a defense pursuant to this Section are proper charges against the Fund. The Fund will have no right to recover these expenses from the Trustee, former Trustee or his estate.

(E) If the Board fails or refuses to provide a Trustee, former Trustee or his estate with a defense against a civil action or proceeding brought against him or it, and the Trustee or former Trustee or legal representative retains his own counsel to defend the action or proceeding, he will be entitled to recover from the Fund reasonable attorney's fees, costs and expenses incurred by him in defending this action or proceeding if the action or proceeding arose out of an act or omission in the scope of his service or duties as a Trustee of the Fund, unless the Board establishes that the Trustee or former Trustee acted or failed to act in breach of his fiduciary duty because of willful misconduct or gross negligence.

Section 6. Neither the Employer, any Signatory Association, the Individual Employers, the Union, any affiliated local union nor any of the Trustees are responsible or liable for:

- (A) The validity of this Trust Agreement or the Program;

(B) The form, validity, sufficiency, or effect of any contract or policy for program benefits which may be entered into by the Board;

(C) Any delay occasioned by any restriction or provision in this Trust Agreement, a Program, the rules and regulations of the Board of Trustees, any contract or policy procured in the course of the administration of the Fund or Programs, or by any other proper procedure in the administration. However, this clause will not excuse any violation of the Collective Bargaining Agreement; or

(D) The making or retention of any deposit or investment of the Fund, or the disposition of any investment, or the failure to make any investment of the Fund, or any loss or diminution of the Fund, except any loss that may be due to the gross neglect or willful misconduct of a particular person.

Section 7. Neither the Employer, any Signatory Association, any Individual Employer, the Union, nor any affiliated local union will be liable in any respect for any of the obligations or acts of the Trustees because the Trustees are in any way associated with the Employer, Signatory Association, Individual Employer, Union, or any affiliated local union.

Section 8. In accordance with applicable laws and regulations, the Board of Trustees may provide for the reimbursement to the Trustees of expenses reasonably and actually incurred in the performance of their duties as Trustees, including attendance at educational or training conferences or institutes or other meetings relevant to those duties as authorized by the Board.

Section 9. Any Trustee who resigns or is removed from office must immediately turn over to the Chairman or Co-Chairman of the Board of Trustees at the principal office of the Fund any and all records, books, documents, moneys and other property in his possession or under his control which belong to the Fund or which were received by him in his capacity as a Trustee.

Section 10. The name of the Fund may be used to designate the Trustees collectively and all instruments may be effected by the Board of Trustees in the name of the Fund.

ARTICLE VII

Corporate Co-Trustee or Custodian

Section 1. A Corporate Co-Trustee or Custodian and any successor may be appointed by the Trustees.

Section 2. The Corporate Co-Trustee or Custodian may not be a representative of either the Employer or the Union.

Section 3. The duties, responsibilities, rights and powers of the Corporate Co-Trustee or Custodian are those delegated to it by the Board of Trustees and will be set forth in a contract between the Board and the Corporate Co-Trustee or Custodian. If so designated, the Corporate Co-Trustee or Custodian will act as a fiduciary.

ARTICLE VIII

Arbitration

Section 1. In the event that the Trustees deadlock on any matter arising in connection with the administration of the Fund or the Program, they will agree upon a neutral person to serve as an impartial umpire to decide the dispute. The Employer Trustees and the Employee Trustees may, by mutual agreement, select an equal number of representatives from their respective Trustee groups to sit with the umpire to constitute a Board of Arbitration. The decision of a majority of this Board of Arbitration will be final and binding upon the Trustees, the parties and the beneficiaries of this Trust Agreement and the Program. Otherwise, the decision of the impartial umpire will be final and binding upon the Trustees, the parties and the beneficiaries of this Trust Agreement and Program.

Any matter in dispute and to be arbitrated must be submitted to the Board of Arbitration or the impartial umpire, in writing, and in making its or his decision, the Board of Arbitration or umpire is bound by the provisions of this Trust Agreement and the Collective Bargaining Agreement and has no authority to alter or amend the terms of these Agreements. If the Trustees cannot jointly agree upon a statement submitting the matter to arbitration, each Trustee group will prepare a written statement containing its version of the dispute and the question or questions involved. The decision of the Board of Arbitration or the impartial umpire will be available in writing within 10 days after the submission of the dispute.

Section 2. If no agreement on an impartial umpire is reached within 10 days, or within the time the Trustees mutually agree upon, on petition of either the Employee Trustees or the Employer Trustees, an umpire will be appointed by the United States District Court for the Northern District of California.

Section 3. The reasonable expenses of any arbitration, including any necessary court proceedings to secure the appointment of an umpire or the enforcement of the arbitration award (excluding the fees and expenses of witnesses called by the parties and the cost of any attorneys other than the Fund attorneys selected pursuant to Article IV, Section 4(D)), are a proper charge against the Fund. No expenses will be deemed reasonable under this Section until these expenses have been approved by the Board of Trustees.

Section 4. No matter in connection with the interpretation or enforcement of the Collective Bargaining Agreement is subject to arbitration under this Article. No matter which is subject to arbitration under this Article is subject to the grievance procedure or any other arbitration procedure provided in the Collective Bargaining Agreement.

ARTICLE IX

General Provisions

Section 1. Subject to the provisions of the Collective Bargaining Agreement, the rights and duties of all parties, including the Employer, the Signatory Associations, the Individual Employers, the Union, affiliated local unions, the Employees and the Trustees, are governed by the provisions of this Trust Agreement, the Programs and any policies or contracts procured or executed pursuant to this Trust Agreement.

Section 2. No Employee or person has any right or claim to benefits under the Program other than as specified in the Program.

Any claim to benefits from the Fund and any claim or right asserted under the Program or against the Fund, regardless of the basis asserted for the claim and regardless of when the act or omission upon which the claim is based occurred, will be resolved by the Board of Trustees. The Board's decision with regard to the claim or right is final and binding upon all persons affected by the decision. The Board of Trustees has established a procedure for the presentation, consideration and determination of any claim or right, which complies with ERISA and any other applicable laws or regulations.

No action may be brought for benefits from the Program or to enforce any right or claim under the Program or against the Fund until after the claim for benefits or other claim has been submitted to and determined by the Board in accordance with the established procedure. The only action which may be brought is one to enforce the decision of the Board or to clarify the rights of the claimant under that decision. Neither the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union or any of the Trustees will be liable for the failure or omission, for any reason to provide benefits from the Program.

Section 3. Any notice required to be given under the terms of this Trust Agreement or the rules and regulations of the Board of Trustees is deemed to have been duly served if delivered personally to the person to be notified in writing, or if mailed in a sealed envelope, postage prepaid, to that person at his last known address as shown in the records of the Fund, or if sent by wire to that person at the last known address.

Section 4. This Trust Agreement is binding upon and will inure to the benefit of all Individual Employers who are now or may become members of Employer, any Signatory Association or who become in any other way a party to a Collective Bargaining Agreement and the heirs, executors, administrators, successors, purchasers and assigns of the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union, and the Trustees.

Section 5. All questions pertaining to this Trust Agreement, the Trust Fund, or any Program, and their validity, administration and construction will be determined in accordance with the laws of the State of California and any pertinent laws of the United States.

Section 6. If any provision of this Trust Agreement, the Program, the rules and regulations of the Board, or any step in the administration of Fund or Program is held to be illegal or invalid for any reason, that illegality or invalidity will not affect the remaining portion of this Agreement or the rules and regulations, unless that illegality or invalidity prevents accomplishment of the objectives and purposes of the Agreement. In the event this occurs, the parties will immediately commence negotiations to remedy any defect.

Section 7. Except to the extent necessary for the proper administration of the Fund, all books, records, papers, reports, documents or other information obtained with respect to the Fund are confidential and will not be made public or used for any other purposes. Nothing in this Section prohibits the preparation and publication of statistical data and summary reports with respect to the operations of the Fund and the Programs.

Section 8. In the establishment and maintenance of the Fund, and in the execution, amendment and implementation of this Trust Agreement, the Union acts for and on behalf of the Employees and as their collective bargaining representative and agent, and every agreement or act of the Union in connection with the establishment, maintenance and operation of the Fund or the Program is deemed to be and is the agreement or act of the Employee, or Employees, concerned or affected by that agreement or action.

Section 9. In the establishment and maintenance of the Fund and in the execution, amendment and implementation of this Trust Agreement, the Employer acts for and on behalf of the Individual Employers who, at the time of the execution of this Trust Agreement are or who may become members of the Employer or any Signatory Association, and on behalf of any other Individual Employer who is required by the Collective Bargaining Agreement to make Contributions to the Fund or who in fact makes one or more Contributions to the Fund. Every agreement or act of the Employer in connection with the establishment maintenance and operation of the Fund or the Programs is deemed to be and is the agreement or act of the Individual Employer, or Individual Employers, concerned or affected by that agreement or action.

Section 10. Any payment required by a decision of the Board is due and payable in the City and County of San Francisco and any action or proceeding to enforce or clarify a decision of the Board will be brought in a court of competent jurisdiction in that City and County. Any action or proceeding affecting the Fund or the Programs must be brought solely against the Fund as an entity, and solely by or on behalf of the claimant in the claims procedure established pursuant to Section 2 of this Article. Neither the Employers, nor any Signatory Association, the Union, any affiliated local union, any Employee or other person is entitled to notice of any action or proceeding or to service of process. Any final judgment entered in any action or proceeding is binding upon all of the above mentioned parties so long as the judgment does not attempt or purport to impose any personal liability upon or against any party not joined or not served in any action or proceeding.

Section 11. It is the intent and purpose of the parties that Contributions to the Fund be deductible by Individual Employers for applicable tax purposes in the taxable year when paid. It is also the intent of this Agreement that the benefits to the Employee and the Contributions to the Fund are not considered part of the hourly wage rates for the purpose of computing overtime,

either under the Collective Bargaining Agreement or under the Fair Labor Standards Act, the Walsh-Healey Act, the Davis-Bacon Act, the Contract Work Standards Act, or any other law or regulation.

It is further intended that this Trust Fund be tax exempt at all times. If any administrative or judicial ruling holds that any provision of this Trust Agreement or of the Program prevents or defeats the tax qualification of the Trust or any other objective stated in this Section, either under existing laws or regulations or any laws or regulations subsequently enacted or adopted, or if for any reason it becomes necessary or desirable to amend this Trust Agreement or the Program to accomplish any stated objective, the parties will immediately enter into negotiations to amend this Trust Agreement or the Program. Any amendment will be effective, insofar as practicable, as of the effective date of this Trust Agreement or of the Program or as of the effective date of any law or regulation enacted or adopted.

ARTICLE X

Non-Member Employers

Section 1. Upon the approval of the Board of Trustees, any Individual Employer who is not a member of or represented by the Employer or a Signatory Association but who is performing work coming within the jurisdiction of the Union may become a party to this Trust Agreement by executing in writing and depositing with the administrative office of the Board of Trustees his or its acceptance of this Trust Agreement, in a form acceptable to the Board.

Section 2. Any Individual Employer who executes and deposits a written acceptance, or who in fact makes one or more Contributions to the Fund with the approval of the Board of Trustees, assumes and is bound by all of the obligations imposed by this Trust Agreement upon the Individual Employer, is entitled to all rights under this Trust Agreement and is otherwise subject to it in all respects.

ARTICLE XI

Amendment and Termination

Section 1. The provisions of this Trust Agreement may be amended or modified at any time by mutual agreement of the Employer and the Union subject to the terms and conditions of the Collective Bargaining Agreement and any applicable law or regulation. Any amendment or modification of this Trust Agreement may be executed in counterpart.

Section 2. This Trust is irrevocable and the provisions of this Trust Agreement will continue in effect during the term of the Collective Bargaining Agreement, including any amendment, renewal or extension which provides for the continuation of payments into the Fund and the Program.

Section 3. This Trust Agreement and the Trust Fund may be terminated by the Employer and the Union by an instrument in writing executed by mutual consent at any time, subject to the provisions of Section 4 of this Article. Upon the termination of the Trust, any money remaining in the Fund after the payment of all expenses and obligations of the Trust will be paid or used for the continuance of one or more Programs until the Fund is exhausted.

Section 4. In no event will any amendment or modification of this Trust Agreement, or the termination of this Trust Agreement, cause or result in any portion of the Fund revert to or be recoverable by, the Employer, any Signatory Association, any Individual Employer, the Union, any affiliated local union or cause or result in the diversion of any portion of the Fund to any purpose other than for the exclusive benefit of the Employees and the payment of the administrative expenses of the Fund and Program.

Section 5. In no event will the Trust established by this Trust Agreement continue for a longer period than is permitted by law.

Executed on this 19th day of November 2008, in San Francisco, California.

EMPLOYER:

Associated General Contractors of California, Inc.

By *signed* Thomas Holsman

UNION:

Northern California District Council of Laborers

By *signed* Jose Moreno

ACCEPTANCE OF OFFICE BY TRUSTEES

The undersigned accept office as Trustees appointed pursuant to this Trust Agreement and agree to act under and be subject to all of the terms and conditions of this Agreement. The undersigned declare that they hold the Fund created by this Agreement in trust for the uses and purposes set forth in this Agreement.

DATED: November 19, 1968

INITIAL EMPLOYER TRUSTEES

A.E. Holt
W.L. Ames, Jr.
G.S. Herrington
Morris K. Daley
Carl K. Lawrence

INITIAL EMPLOYEE TRUSTEES

Charles Robinson
Percy L. Ball
Harry Whitehouse
Philip Thorpe
Jay Johnson

SUBSTITUTION OF TRUSTEES

Changes in the composition of the Board of Trustees since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

CHANGES IN CONTRIBUTION RATE

Changes in the contribution rates since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.

CHANGES IN CORPORATE CO-TRUSTEE OR CUSTODIAN

Changes in the Corporate Co-Trustee or Custodian since the inception of the Trust Fund are available at the Laborers Funds Administrative Office of Northern California, Inc.