

AGREEMENT AND DECLARATION OF TRUST

FOR THE

**CALIFORNIA LABORERS-EMPLOYERS
COOPERATION AND EDUCATION TRUST**

Effective January 1, 1999

This Agreement and Declaration of Trust is made effective January 1, 1999 by, between and among the Laborers' District Council of Northern California, the Laborers' District Council of Southern California, the affiliated Local Unions in the State of California, the employers of laborers in the State of California ("Employers") who now or hereafter execute this instrument, and the individuals who herein or hereafter agree to serve as Trustees of the Trust established by and maintained pursuant to this instrument.

WITNESSETH:

WHEREAS, the Laborers' International Union of North America, AFL-CIO ("LIUNA"), and its affiliated District Councils and Local Unions in the State of California are labor organization which represent laborers employed in the construction industry, which includes building, residential, heavy, highway and pipeline trades, as well as emerging environmental trades (e.g., asbestos and lead abatement, hazardous waste and radiation removal, unexploded ordinance, and ship scrapping); and

WHEREAS, the Employers operate businesses in the construction industry which employ laborers; and

WHEREAS, the construction industry must confront many competitive and technical challenges including the need to increase the work opportunities for union construction, the need to increase the efficiency of the Industry, the need to foster more harmonious relationships between the Union and the Employers, the increasingly hazardous nature of the work, the need for specially-trained laborers, the extent of government regulation, and the necessity to protect public health and safety; and

WHEREAS, these challenges are of mutual concern to LIUNA and the Employers but are not susceptible to effective resolution through the collective bargaining process; and

WHEREAS, federal law encourages and provides for the establishment of joint labor-management cooperation trusts for the purposes described in this instrument; and

WHEREAS, LIUNA and the Employers have agreed to establish and fund a joint labor-management cooperation trust for such purposes;

NOW THEREFORE, in consideration of the foregoing representations as well as the mutual promises and obligations herein, it is mutually understood and agreed as follows.

ARTICLE I
Definitions

- 1.01 **GENERALLY:** Unless the context or subject matter otherwise requires, the definitions set forth in this Article shall govern the interpretation of this instrument.
- 1.02 **LIUNA:** The term "LIUNA" shall mean the Laborers' International Union of North America, AFL-CIO.
- 1.03 **DISTRICT COUNCILS:** The term "District Councils" shall mean the Laborers' District Council of Northern California and the Laborers' District Council of Southern California.
- 1.04 **LOCAL UNION:** The term "Local Union" shall mean a local union in the State of California, which is affiliated with LIUNA and the District Councils, which is a party to an agreement requiring Employer contributions to the Trust, which adopts this Trust Agreement and which is accepted for participation in this Trust by or for the Board of Trustees.
- 1.05 **TRUST:** The term "Trust" shall mean the California Laborers-Employers Cooperation and Education Trust established by and maintained pursuant to this instrument.
- 1.06 **TRUST AGREEMENT:** The term "Trust Agreement" shall mean this Agreement and Declaration of Trust, including any and all amendments thereto.
- 1.07 **TRUSTEE:** The term "Trustee" shall mean one of the individuals hereby or hereafter appointed in accordance with this Trust Agreement to hold the Trust's assets in trust and to administer the Trust as fiduciaries.
- 1.08 **BOARD OF TRUSTEES:** The terms "Board of Trustees" and "Board" shall mean the body comprised of all the Trustees.
- 1.09 **INDUSTRY:** The term "Industry" shall mean the entire building and construction industry, including traditional and environmental markets.
- 1.10 **EMPLOYER:** The term "Employer" shall mean an employer of laborers, and an association of employers of laborers, which is or becomes signatory to this Trust Agreement or otherwise adopts it, and which is accepted for participation in the Trust by or for the Board of Trustees.
- 1.11 **PARTICIPANT:** The term "Participant" shall mean an Employer, a labor-management cooperation organization, an employee benefit plan, a Local Union or

District Council or any other entity which is or becomes signatory to this Trust Agreement or otherwise adopts it, and which is accepted for participation in this Trust by or for the Board of Trustees.

ARTICLE II
Declaration of Trust and Purposes

2.01 **DECLARATION OF TRUST:** LIUNA and the Employers do hereby declare that a trust known as the "California Laborers-Employers Cooperation and Education Trust" has been established and is maintained for the purposes permitted by this Trust Agreement and applicable law.

2.02 **GENERAL PURPOSES:** The general purposes and objects of the Trust shall be as follows:

- a) To improve communications between LIUNA and Employers, and provide a forum for discussion of matters of mutual interest;
- b) To preserve, identify and expand work opportunities for laborers and their Employers in the Industry;
- c) To improve efficiency in operations and the economic competitiveness of laborers and Employers in the Industry;
- d) To establish and maintain mechanisms for monitoring and enforcing compliance with governmental laws, rules, regulations and standards governing or affecting the Industry;
- e) To inform and petition governmental officials concerning issues affecting the Industry, and to urge, oppose or otherwise influence legislation, rules, regulations and standards affecting the Industry;
- f) To sponsor seminars, programs, conferences and meetings concerning issues affecting the Industry;
- g) To communicate with the public about issues of concern to the Industry;
- h) To facilitate the exchange of information among labor and management concerning projects, contracts, events, trends and all other matters affecting the Industry;
- i) To establish standards for practices within the Industry;

- j) To study and otherwise facilitate resolution of problems and matters affecting the Industry, including the availability, cost and conditions of liability insurance and any other types of insurance;
- k) To establish alliances with other organizations, trusts, programs and groups to advance mutual interests relating to the Industry;
- l) To encourage and assist in the establishment and maintenance of other labor-management cooperation committees and trusts for one or more of the purposes of this Trust;
- m) To encourage free collective bargaining between the District Councils and Local Unions and Employers in the Industry;
- n) To engage in productive discussions with users of the Industry's services, architects, engineers, and other professionals whose decisions affect labor and management in the Industry;
- o) To solicit or otherwise raise funds to finance the Trust's activities from any and all lawful sources, including Employers, employee benefit plans, labor-management cooperation organizations, employee organizations, private foundations, other charitable entities, and governmental bodies.
- p) To develop programs which advance the health and safety of laborers employed in the Industry and their families, as well as the health and safety of the public affected by the Industry;
- q) To conduct research, perform studies, collect information, develop procedures and otherwise act to minimize the hazards of the Industry;
- r) To promote the establishment and maintenance of quality training programs for laborers employed or to be employed in the Industry;
- s) To foster goodwill and economic development in the communities served by the Industry;
- t) To otherwise implement the purposes and provisions of Labor-Management Cooperation Act of 1978 (Public Law 95-524);

2.03

LIMITATIONS: The Trust shall be a non-profit trust. No net earnings of the Trust shall inure to the benefit of any member, Employer, Participant, District Council, or Local Union or any other individual or entity, except to the extent permitted under applicable law.

- 2.04 **LEGAL STATUS:** The Trust is intended as a labor-management committee within the meaning of section 302(c)(9) of the Labor Management Relations ("Taft-Hartley") Act so as to permit Employer contributions. It is further intended that the Trust qualify as a tax-exempt trust under section 501(c)(5) of the Internal Revenue Code and other applicable tax law.

ARTICLE III
Trustees

- 3.01. **ROLE OF TRUSTEES:** The administration, management and operation of the Trust shall be exclusively the right and responsibility of the Board of Trustees.
- 3.02. **COMPOSITION OF THE BOARD:** The Board of Trustees shall be composed of not fewer than eight (8) Trustees, and shall have equal numbers of Union Trustees and Employer Trustees, together with such Neutral Trustees, if any, as the other Trustees may agree to appoint. The Northern California Laborers' District Council and the Southern California Laborers' District Council shall each be entitled to select two Union Trustees. The Associated General Contractors of California shall be entitled to select four Employer Trustees. Successor and additional Union Trustees shall be appointed by the District Councils, as jointly agreed upon. Successor and additional Employer Trustees shall be appointed by the Associated General Contractors of California provided however, that no more than two Employer Trustees shall represent any one employer or association.
- 3.03. **TRUSTEES:** The following individuals are duly designated and appointed under the Trust Agreement as Trustees, and are vested with all the property, rights, powers, and obligations hereunder:

<u>Archie Thomas</u>	Union Trustee
<u>Mike Quevedo Jr.</u>	Union Trustee
<u>Thomas Scardina</u>	Union Trustee
<u>Henry Rodriguez</u>	Union Trustee
<u>Thomas Holsman</u>	Employer Trustee
<u>Mike Roddy</u>	Employer Trustee
<u>Mark Breslin</u>	Employer Trustee
<u>Jere Meacham</u>	Employer Trustee

- 3.04. **ACCEPTANCE OF TRUSTEESHIP:** Each Trustee shall acknowledge his or her acceptance of trusteeship and consent to serve as a Trustee in accordance with this Trust Agreement by affixing his or her signature to the end of this Trust Agreement. Each successor or additional Trustee appointed in accordance with this Trust Agreement shall be vested with all property, rights, powers and duties of a Trustee hereunder immediately upon signing a copy of this Trust Agreement or a written acceptance incorporating and affixed to the Trust Agreement, without the necessity of any formal conveyance or other instrument of title. Such a successor or additional Trustee shall have no responsibility or liability for acts or omissions of the Trustees before he or she assumed office as a Trustee.
- 3.05. **TERM OF TRUSTEES:** Each Trustee, including successor and additional Trustees, shall serve until his or her effective resignation, disqualification, removal, disability or death.
- 3.06. **RESIGNATION:** Any Trustee may resign by a written instrument executed for that purpose and delivered to the remaining Trustees.
- 3.07. **REMOVAL:** Any Union Trustee may be removed at any time from his or her position as Trustee, with or without cause, by the entity which selected the Trustee. Any Trustee may be removed at any time, with or without cause, by majority vote of the other Trustees.
- 3.08. **VACANCIES:** No vacancy or vacancies on the Board of Trustees shall impair the power of the remaining Trustees to administer, manage and operate the Trust pending the filling of such vacancy or vacancies.
- 3.09. **QUALIFICATIONS:** An individual may serve as a Trustee while also serving as an officer or employee of the District Councils, Local Unions, or Employers. No individual shall serve as an Employer Trustee unless he or she is affiliated with an Employer which is party to a collective bargaining agreement with LIUNA, the District Councils or the Local Unions.
- 3.10. **COMPENSATION AND EXPENSES:** The Union Trustees and the Employer Trustees shall receive no compensation for their services as Trustees. The Union Trustees and the Employer Trustees may authorize the payment from Trust assets of reasonable compensation to any Neutral Trustee(s) appointed in accordance with this Article. All Trustees may be reimbursed from Trust assets for reasonable and actual expenses incurred in connection with their services to the Trust.

ARTICLE IV
Powers, Rights and Duties
Of Trustees

4.01. **GENERAL POWERS:** The Board of Trustees is hereby vested with all authority and powers necessary or appropriate to carry out the purposes of the Trust, including but not limited to full authority and power:

- a) To lease, purchase or obtain such lands, premises, materials, supplies, equipment, insurance, goods and services as the Board deems necessary or appropriate, and to pay reasonable compensation, costs or expenses therefor from the Trust;
- b) To hire, employ, retain or contract with persons or organizations to provide such administrative, clerical, technical, professional, legal, accounting, actuarial and other assistance as the Board deems necessary or appropriate, and to pay reasonable compensation, costs or expenses therefor from the Trust;
- c) To determine, in the Board's discretion, the priorities and timetables for carrying out the purposes of the Trust;
- d) To develop and implement such programs, plans, services, goods and materials as the Board deems necessary or appropriate for carrying out the purposes of the Trust;
- e) To delegate to any employees, agents, professionals, or service providers such powers and duties as the Board considers necessary or appropriate;
- f) To enter into on behalf of the Trust such contracts or agreements as the Board considers necessary or appropriate;
- g) To solicit, raise, set rates for and receive contributions, grants, gifts, dues, assessments, and any other payments or property from any lawful source whatsoever, including Employers, employee benefit plans, labor-management cooperation organizations, governmental bodies, private foundations, other charitable entities, and LIUNA and its affiliates;
- h) To establish and accumulate as part of the Trust such reserve or reserves as the Board considers necessary or appropriate to carry out the purposes of the Trust and to meet the requirements of applicable law;

- i) To invest and reinvest the Trust in any type of prudent investments not expressly prohibited by applicable law, to take any and all action with respect to holding, buying, selling, and exchanging such investments in the name of the Board or in the name of its nominee as it considers appropriate, and to authorize any bank, trust company, insurance company or investment manager to commingle any monies deposited with it in a pooled investment account administered or managed by it;
- j) To hold uninvested cash, without liability for interest thereon, in such sums as the Board deems necessary or appropriate for meeting the cash needs of the Trust;
- k) To pay out of the Trust such real and personal property taxes, income taxes, and other taxes of any kind as may be lawfully imposed or assessed upon the Trust or with respect to any of its property;
- l) To compromise, settle, arbitrate, and release claims or demands in favor of or against the Trust or Trustees on such terms and conditions as the Board deems necessary or appropriate;
- m) To initiate on behalf of the Trust such lawsuits and other legal proceedings as the Board deems necessary or appropriate, to defend lawsuits or other legal proceedings brought against the Trust or the Trustees and to pay the cost and expenses thereof, including attorneys' fees, out of the Trust to the extent not prohibited by applicable law;
- n) To contract or subcontract with any employee benefit plan, LIUNA and any of its affiliates, and any Employer for such goods, services, premises, equipment, personnel, offices or supplies as the Board deems necessary or appropriate, and to pay reasonable compensation, costs and expenses therefor, to the extent not prohibited by applicable law;
- o) To promote the Trust and to take such other actions as the Board deems necessary or appropriate to attract interest in the Trust's purposes and activities;
- p) To, in the Board's discretion, accept or reject or expel any Participant from participation in the Trust;
- q) To adopt such policies, procedures, rules, regulations, or by-laws as the Board deems necessary or appropriate and which shall be binding on all parties dealing with the Trust;

- r) To interpret this Trust Agreement and all policies, procedures, rules, regulations and by-laws adopted by the Board and to bind all parties dealing with the Trust by such interpretations;
- s) To determine all questions arising in the Trust's administration, management or operations, which determinations shall bind all parties dealing with the Trust;
- t) To negotiate, obtain, purchase and maintain such policies or contracts of insurance as the Board deems necessary or appropriate, or to pay or provide for the payment of premiums therefor from the Trust;
- u) To borrow money in the name of the Trust on such terms and conditions, and from whatever lawful source, as the Board may consider necessary or appropriate;
- v) To establish and finance from Trust assets such other trusts and tax-exempt organizations as the Board deems necessary or appropriate;
- w) To seek the advice, opinion, or direction of an appropriate court or other appropriate government body on any matter pertaining to the administration of the Trust; and
- x) To do all acts, whether or not expressly authorized herein, which the Board deems necessary or appropriate to protect the Trust and its property or to accomplish the purposes of the Trust.

4.02 **ALLOCATION AND DELEGATION OF FIDUCIARY RESPONSIBILITIES:** The Board of Trustees may allocate such fiduciary responsibilities and administrative duties to one or more Trustees, to committees of Trustees, or to other persons as it may deem appropriate or necessary consistent with applicable law.

4.03 **DIRECTORS:** The Board of Trustees is empowered to appoint, hire, or contract with a Director who or which may be business organizations or individuals, to perform such administrative and managerial duties and responsibilities with respect to the Trust as the Board may consider necessary or appropriate and delegate from time to time. The Board is also empowered to delegate to the Director such powers and authority as it considers necessary or appropriate to discharge the Director's duties and responsibilities. The Director shall report to the Board about his, her, its or their activities and the status of the Trust's affairs periodically and as the Board may order. The Director shall serve at the will of the Board and may be removed by it with or without cause at any time subject only to any reasonable contract or arrangement between the Trust and the Director.

4.04 **ADMINISTRATIVE OFFICES:** The Board of Trustees shall establish one or more administrative offices for the Trust and shall staff such office(s) in such manner as it deems necessary or appropriate, either with Trust employees or by contracting with another organization.

4.05 **ALLOCATION AND DELEGATION OF INVESTMENT FUNCTIONS:**

- a) The Board of Trustees is hereby empowered to appoint and retain a qualified investment manager or managers, who may be business organizations or individuals, and to delegate to such investment manager(s) full authority to manage, acquire and dispose of such assets of the Trust as the Board shall specify, subject to the requirements of applicable law. The investment manager(s) shall report to the Board on a regular basis and as ordered by the Board as to activities, investments, holdings, acquisitions and disposal of assets.
- b) No Trustee shall be liable for the acts or omissions of such investment manager(s) or be under any obligation to invest or otherwise manage any of the Trust which is subject to the management of such investment manager(s).
- c) In connection with any allocation or delegation of investment functions or responsibility, the Board may, from time to time, adopt appropriate investment policies or guidelines.

4.06 **DEPOSIT AND WITHDRAWAL OF FUND:**

- a) All monies received by or on behalf of the Trust hereunder shall be deposited in such bank or banks as the Board of Trustees may designate for that purpose, and all withdrawals of monies from such account or accounts shall be made only by checks, drafts, or other recognized written method of transmitting money signed by such Trustees as are authorized in writing by the Board to sign. Except as hereinafter provided, no check, draft or other writing drawing on the Trust's account or accounts shall be valid unless signed by two Trustees.
- b) The Board of Trustees may, in its discretion, designate and authorize a Director, an employee, or an agent of the Trust to sign checks or otherwise draw upon such separate and specific bank account or accounts as the Board may establish or designate for this purpose. The Board may, in its discretion, limit the amount and number of such checks or draws as it considers appropriate.

- 4.07 **EXECUTION OF DOCUMENTS:** Except as provided otherwise herein, the Board of Trustees may authorize one of the or both Co-Chairman of the Board or any one or more of the other Trustees to execute any notice, document, certification or other instrument in writing, and all persons, partnerships, corporations, associations, and other entities may rely thereupon that such notice or instrument has been duly authorized and is binding on the Trust and the Board.
- 4.08 **BOOKS OF ACCOUNT:** The Board of Trustees shall cause to be kept true and accurate books of account and records of all Trust transactions, which shall be audited at least annually by an independent certified public accountant selected by the Board.
- 4.09 **RIGHT TO INFORMATION:** The Board of Trustees is empowered and entitled to demand and promptly obtain from any Employer or Participant, and from any other person or organization dealing with the Trust, such documents or information as the Board deems necessary or appropriate for the administration of the Trust, but the Board shall make no other or further use of such documents or information. The Board is further empowered to provide information to such persons or organizations as it deems necessary or appropriate to carry out the purposes of the Trust, giving due regard for the privacy of medical and health information.
- 4.10 **SURETY OR FIDELITY BONDS:** To the extent required by applicable law or as otherwise deemed necessary or appropriate by the Board of Trustees, the Trustees, as well as employees and agents of the Trust engaged in handling assets of the Trust, shall be bonded by a duly authorized surety company, and the cost of such bonding shall be payable from the Trust.
- 4.11 **ERRORS & OMISSIONS INSURANCE:** The Board of Trustees may in its discretion obtain and maintain contracts or policies of insurance, to the extent permitted by law, to insure themselves, the Trust as such, as well as employees or agents of the Trustees and the Trust, while engaged in business and related activities for and on behalf of the Trust: (1) with respect to liability to the Trust and others as a result of acts, errors or omissions of such Trustees, employees, or agents, respectively, provided such insurance contract or policy shall permit recourse by the insurer against the Trustees and other covered persons if required by law; and (2) with respect to injuries received or property damages suffered by them. The cost of the premiums for such policies or contracts of insurance shall be paid out of the Trust. Any Trustee or other covered fiduciary may purchase, at his, her or its own expense, a rider to such policy or contract or a separate contract or policy to insure against any recourse by the insurer.

4.12 **PERSONAL LIABILITY:** To the full extent permitted by applicable law:

- a) Neither the District Councils, nor any Local Union, nor any Employer, nor any Participant, nor any of their officers or representatives shall be responsible or liable in any respect for any of the acts or omissions or obligations of the Trust or the Trustees, individually or collectively.
- b) Neither the District Councils, nor any Local Union, nor any Employer, nor any Participant, nor any Trustee shall be responsible or liable for:
 - (1) The validity of this Trust Agreement or of any Trust program;
 - (2) The form, validity, sufficiency or effect of any contract or policy which may be entered into;
 - (3) Any delay occasioned by any restrictions or provisions in this Trust Agreement, in rules adopted by the Board, in any contract or policy procured in the course of administration of the Trust, or in any collective bargaining agreement or other agreements;
 - (4) The payment of any sums beyond those received by the Board of Trustees.
- c) Neither the Board of Trustees nor the Trust shall be bound by any representations about the Trust or any program of the Trust, other than those representations contained in this Trust Agreement or official written communications from the Board of Trustees.
- d) No Trustee shall be liable or responsible for his or her own acts or omissions or for any acts or omissions of any other fiduciary or person; except for his or her own acts or omissions determined by a court to be willful misconduct, or as otherwise required by law. The Trust shall indemnify (through insurance or otherwise) each Trustee against any and all claims, losses, damages, expenses and liabilities arising from any action or omission; and shall assume the cost of defending same, except to the extent that the Trustee is found personally liable under the preceding sentence.
- e) Neither the Trustees nor the Trust shall assume any responsibility for the oversight, carelessness, inadvertent error, or any other act or omissions, or for any misstatement or misrepresentation made, by any agent or employee of any insurance company, bank, trust company, investment manager, service provider, Employer, Participant, District Councils, or Local Unions; further the obligation or liability of the Trustees and the Trust hereunder shall be

specially limited to the receipt of any sum or sums which may come into their hands pursuant to the terms of this Trust Agreement.

- f) The Trustees shall not be liable for the proper application of any part of the Trust or for any other liabilities arising in connection with the administration or operation of the Trust, except as herein provided.
- g) The Trustees shall be fully protected in acting upon any instrument, certificate or paper believed by them to be genuine and to be signed or presented by the proper person or persons, and shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing, but may accept the same statements therein contained.
- h) The Trustees may from time to time consult with the Trust's legal counsel, accountant, consultants, actuaries or other professionals, and shall be fully protected in acting in reliance on such advice.
- i) The Trustees shall be fully protected in reliance on information, data, statistics or analyses furnished by persons performing such functions for the Trust.
- j) The Trustees, employees and agents of the Trust shall have no liability for acting in compliance with a provision of the Trust Agreement or of any Trust program which is subsequently found to be unlawful.

ARTICLE V

Trustees' Procedures

5.01 **OFFICERS:** The Board of Trustees shall select from among the Trustees two (2) Co-Chairmen; one of whom shall be a Union Trustee and the other of whom shall be an Employer Trustee. The Board of Trustees may appoint such other officers as it deems appropriate.

5.02 **MEETINGS:** Meetings of the Board of Trustees shall be held at such times and at such places, or by such means, as the Co-Chairmen or a majority of the Trustees may agree upon. Such meetings may be called upon five (5) days' notice to all Trustees, except that a meeting may be held at any time without notice if all the Trustees consent. The Board shall meet not less often than twice each year. Meetings may be conducted in person or through telephonic or other electronic means which permit discussion among the Trustees; provided, however, that preference shall be given to face-to-face meetings.

- 5.03 **QUORUM:** No actions shall be taken at a meeting of the Board of Trustees unless a quorum, is present. A quorum shall be two (2) Trustees, consisting of one (1) Union Trustee and one (1) Employer Trustee.
- 5.04 **MINUTES OF MEETINGS:** The Board of Trustees shall keep written minutes of all meetings, but such minutes need not be verbatim. Copies of the minutes shall be sent to all Trustees and to such others as the Board directs.
- 5.05 **ACTION BY BOARD:** Except as otherwise provided herein, all action by the Trustees shall be taken at Board meetings and by simple majority vote of the Trustees in attendance and voting. Each Trustee shall have one (1) vote.
- 5.06 **ACTION BY BOARD WITHOUT MEETING:** Action may be taken by the Board of Trustees in writing without a meeting, provided that all the Trustees concur in the taking of such action without a meeting.
- 5.07 **DEADLOCK:** In the event that any matter considered by the Board of Trustees cannot be decided because of a tie-vote, any two (2) Trustees may invoke the procedures of the American Arbitration Association for the appointment of an arbitrator to resolve the deadlock. The cost and expense incidental to any arbitration proceeding, including the arbitrator's fees and attorneys' fees, shall be payable from the Trust.

ARTICLE VI

Participation and Contributions

- 6.01 **PARTICIPATION:** Participation in the Trust shall be open to all employers in the Industry which employ laborers represented by LIUNA, the District Councils or the Local Unions, to associations of such employers, to other labor-management cooperation organizations in the Industry sponsored by LIUNA or its affiliates, to employee benefit plans sponsored by LIUNA or its affiliates which cover laborers employed in the Industry, or to any other entity which becomes signatory to this Trust Agreement or otherwise adopts it; subject to the absolute discretion of the Board of Trustees to accept, reject or expel from participation in the Trust. The Board is empowered to condition participation on execution of such participation agreements or forms as the Board may promulgate, and on such other conditions as the Board deems necessary or appropriate. A Participant may terminate its participation in the Trust by submitting a written notice of such action to the Board at any time, except to the extent that the Participant is bound by a collective bargaining agreement, a participation agreement, or some other agreement requiring participation in the Trust. Termination of participation shall not excuse any Participant from indebtedness to the Trust for all contributions and other payments

due for the period before the effective date of the termination. The Board is empowered to deem the purported termination of a Participant ineffective until such time as all indebtedness to the Trust by the Participant is satisfied.

- 6.02 **CONTRIBUTIONS:** Participants in the Trust shall pay into the Trust contributions in such amounts, as specified by collective bargaining agreement, participation agreement or other written agreement and as the Board of Trustees shall determine from time to time. Contributions shall be submitted on a monthly basis and specifically by the twentieth (20th) day of the first month following the month during which the contributions accrued or as otherwise required by the Board of Trustees.
- 6.03 **DEFAULT IN PAYMENT:** Participants which fail to pay the contributions or other payments owed the Trust when due may be expelled, at the Board's discretion, from participation in the Trust. In addition to any other remedies to which the Trust or the Board of Trustees is entitled, any Participant which fails to pay contributions or other payments owed within thirty (30) days of when due shall be liable to the Trust for interest at the rate of one-and-one-half percent (1 1/2%) per month compounded from the due date through the date of payment, as well as for all expenses of collection incurred by the Fund, including attorneys' fees and court costs. The Board is empowered to institute proceedings at law or equity, and to take any other action, to collect contributions and all other payments due.
- 6.04 **CONTRIBUTION REPORT:** Participants shall submit to the Trust such written reports or documents as the Board of Trustees may deem necessary or appropriate to collect and substantiate contributions.
- 6.05 **AUDITS:** Participants, at the request of the Board of Trustees, shall submit to an audit by a certified public accountant or accountancy firm of the appropriate records of the participant to verify that the correct amount of contributions or of other payments due has been or will be paid.
- 6.06 **CORPUS OF TRUST:** The corpus of the Trust shall consist of all contributions and other payments received from Participants, and the investment earnings thereon if any, together with all monies or other property received by the Trust from any and all other lawful sources.

ARTICLE VII Amendment & Termination

- 7.01 **AMENDMENT BY BOARD:** This Trust Agreement may be amended, in whole or in part, at any time by the Board of Trustees by a duly executed written instrument; provided that no amendment shall violate applicable law or alter the

fundamental purpose of the Trust; and provided further that no amendment shall permit the net earnings of the Trust to inure to the benefit of any member, Employer, Participant, District Council, Local Union, or any other individual or organization, except to the extent permitted by applicable laws. Any such amendment shall be deemed a part of this Trust Agreement and shall be binding on the Board, the Employers, the Participants, District Councils, Local Unions and all other parties dealing with the Trust. The Board is empowered to fix such effective date for an amendment as it deems necessary or appropriate.

7.02 **TERMINATION OF TRUST:** This Trust Agreement and the Trust may be terminated at any time by the Board of Trustees; provided that such action shall be confirmed by a duly executed written instrument.

7.03 **PROCEDURE OF TERMINATION:** In the event of termination of the Trust, the Board of Trustees shall first apply the Trust assets exclusively to pay or provide for the payment of any and all proper obligations of the Trust, and then shall distribute or apply any remaining assets of the Trust in a manner which the Board, in its sole discretion, deems consistent with the purposes of the Trust and which is not prohibited by applicable law. The Board is empowered to take any and all action necessary or appropriate to effectuate the termination and final distribution of assets and to conclude the Trust's affairs. The Trustees shall continue to serve as such until the Trust's affairs are concluded.

7.04 **MERGER:** The Board of Trustees or the District Councils may agree to merge the Trust with or into another trust or other tax-exempt entity with the same fundamental purpose as the Trust to implement the Labor-Management Cooperation Act; provided that such action is not prohibited by applicable law; and provided further that written notice of such a merger agreement shall be given to the Board of Trustees and the District Councils.

7.05 **NO INUREMENT:** Under no circumstances, including termination or merger, shall the Trust inure to the benefit of any member, Employer, Participant, District Council, Local Union or any other individual or organization, except to the extent permitted by applicable provisions of the Internal Revenue Code and all other applicable laws.

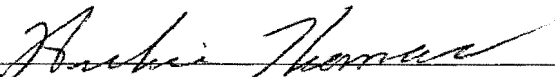
ARTICLE VIII Miscellaneous

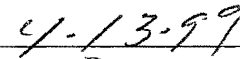
8.01 **SITUS:** The situs of the Trust and principal administrative office shall be in the State of California.

- 8.02 **GOVERNING LAW:** All questions pertaining to the validity, construction and administration of the Trust not governed by federal law or the laws of other countries as appropriate shall be governed by the law of the State of Columbia.
- 8.03 **SEVERABILITY & SAVINGS:** The provisions of this Trust Agreement shall be interpreted in a manner consistent with applicable law. If any provision of this Trust Agreement should be declared invalid or unenforceable or inoperative by any competent governmental authority, the Board of Trustees shall suspend the operation of such provision and shall substitute in its stead a provision which will meet the objections to validity and which is consistent with the purposes of the Trust. Such a determination that certain provisions of this Trust Agreement are invalid or inoperative or unenforceable by operation of law shall not affect the continued validity and operation of the remaining provisions of this Trust Agreement.
- 8.04 **LIMITATION OF RIGHTS:** No individual or entity, save the Board of Trustees, shall have any interest, right or ownership in the Trust or its assets. The obligations of the Trust shall be payable only from the assets of the Trust.
- 8.05 **EXECUTION OR ADOPTION:** This Trust Agreement may be signed or executed by an Employer, Participant, or Trustee on separate sheets attached to the Trust Agreement. This Trust Agreement may also be adopted by express reference in a collective bargaining agreement or other written agreement accepted by the Board of Trustees.

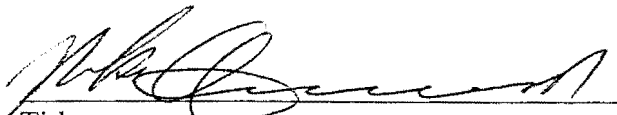
IN WITNESS THEREOF, and to acknowledge their agreement to and acceptance of the terms and obligations of this Trust Agreement, the undersigned do cause this instrument to be duly executed.

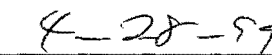
**FOR LABORERS' DISTRICT COUNCIL
OF NORTHERN CALIFORNIA**


Title: _____

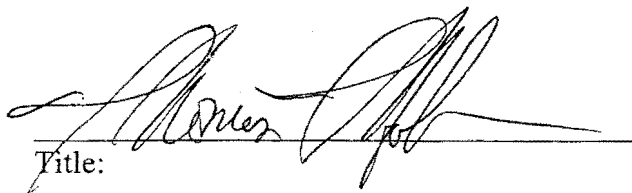

Date _____

**FOR LABORERS' DISTRICT COUNCIL
OF SOUTHERN CALIFORNIA**


Title: _____

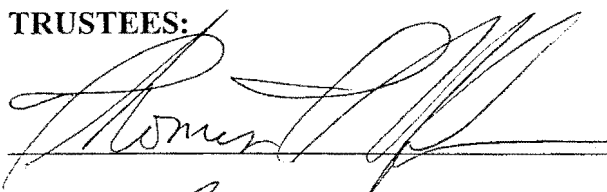

Date _____

FOR ASSOCIATED GENERAL
CONTRACTORS OF CALIFORNIA

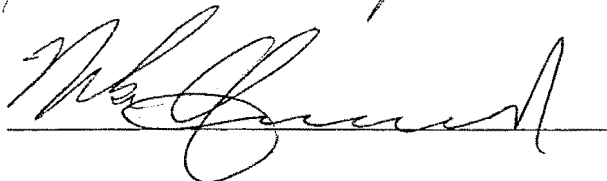

Title: _____

4/20/99
Date

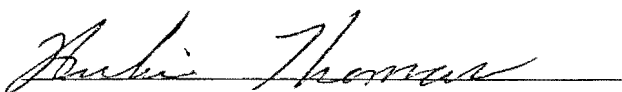
TRUSTEES:



6/1/99
Date



6-1-99
Date




6-1-99
Date



6/2/99
Date



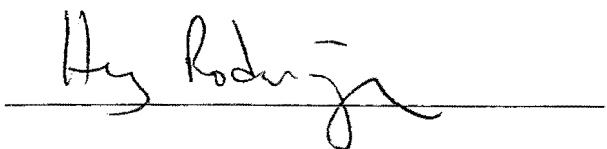
6/16/99
Date



6/21/99
Date



6/24/99
Date



6-29-99
Date