



**CORPORATE OFFICER/ SOLE PROPRIETOR  
ELECTION TO PARTICIPATE**

in the

**SOUTHERN CALIFORNIA PIPE TRADES TRUST FUNDS**

Southern California Pipe Trades Health & Welfare Fund • Southern California Pipe Trades Retirement Fund • Southern California Pipe Trades Defined Contribution Fund • Southern California Pipe Trades Vacation & Holiday Fund • Southern California Pipe Trades Christmas Bonus Fund • Plumbers & Pipefitters National Pension Fund • International Training Fund

I will begin contributing for hours worked \_\_\_\_\_ / \_\_\_\_\_.  
(Month) (Year)

Check one:

I am a  Corporate Officer  Sole Proprietor

I have received the contribution options and have chosen Option \_\_\_\_\_.  
(See contribution rates attached.)

I have read and I understand the provisions of my Collective Bargaining Agreement related to owners who participate in the Funds. I understand that I must contribute for the greater of 110 hours per month or hours worked for all Funds except Health and Welfare (some Agreements vary, and a greater number of hours may be required to be reported). Due to the Joint Arbitration Board Ruling that went into effect January 1, 2009, Health and Welfare hours must be reported at 120 hours regardless of hours worked. I understand that, in general, if my company becomes more than 45 days delinquent in paying contributions to the trusts my eligibility under the Health & Welfare Fund will be terminated and I will not be eligible to contribute in the future except under certain circumstances.

**I understand that if I am a sole proprietor, I am NOT permitted to make contributions to the Southern California Pipe Trades Retirement Fund or the Southern California Pipe Trades Defined Contribution Fund, or any other qualified pension plan, and I agree not to attempt to make such contributions.**

X \_\_\_\_\_ Date: \_\_\_\_\_  
Corporate Officer / Sole Proprietor

\_\_\_\_\_  
Printed Name SSN: \_\_\_\_\_

Employer Name: \_\_\_\_\_

**To be completed by U. A. Local Union:**

We do not contest the participation of this Corporate Officer/Owner in the Southern California Pipe Trades Trust Funds.

Signed: X \_\_\_\_\_ Date: \_\_\_\_\_

Representative of U.A. Local No. \_\_\_\_\_

# Excerpts from the Master Labor Agreement for the Plumbing & Piping Industry of Southern California

## C.1 CONTRACTOR TRUST STANDARDS

### C.1.1 OWNER PERFORMING BARGAINING UNIT WORK / EXEMPT OWNER:

C.1.1.1 An Owner is defined as a sole proprietor, partners, or shareholders and/or officers of a corporation.

C.1.1.2 Each signatory contractor may designate one Owner to perform bargaining unit work without complying with the terms and conditions of the Agreement, including, but not limited to, payment of wages and benefits under Appendix E. The designated Owner under this provision shall be referred to as the “exempt owner”.

C.1.1.3 The “exempt owner” shall be designated in writing at the time the contractor becomes signatory to the Agreement. Such written notification shall be made to District Council No. 16, Pipe Trades Trust Funds, and the appropriate Contractor’s Association, if the contractor is a member of an association. Failure to provide written notification shall prohibit the contractor from designating an “exempt owner” for that calendar year and all Owners performing bargaining unit work shall meet the requirements in Paragraph C.1.2 below. Each contractor may designate or change the designated “exempt owner” one time each calendar year by notifying District Council No. 16, Pipe Trades Trust Fund, and appropriate Contractor’s Association in writing of the change. More than one (1) change per calendar year must be approved by the Joint Arbitration Board.

C.1.1.4 Exempt Owners may not perform bargaining unit work when their company is performing work under a subcontract from another signatory firm.

### C.1.2 OWNERS PERFORMING BARGAINING UNIT WORK

C.1.2.1 Owners, other than the “exempt owner” as provided above, may perform bargaining unit work provided the contractor meets the following conditions.

C.1.2.2 The terms and conditions of the Agreement must be applied to the Owner, except as modified below.

C.1.2.3 Trust Fund contributions for each Owner shall be paid at the construction journeyman contribution rate of one hundred ten (110) hours per month, or hours worked, whichever is greater. However, corporate shareholders who own less than ten percent (10%) of the corporate stock and partners who hold less than ten percent (10%) partnership interest must have contributions made on hours worked.

C.1.2.4 Non corporate contractors whose non-exempt Owners are performing bargaining unit work are not required to make pension contributions on the Owner(s), unless the non-exempt Owner(s) is an alumni as provided below, because such individual is not legally eligible to participate in the Retirement or Defined Contribution Funds. Each non corporate Owner acknowledges that he cannot participate in the Retirement Fund or the Defined Contribution Fund and that payments into the other trust funds does not implicate participation in the Retirement or Defined Contribution Fund.

C.1.2.5 Each contractor making contributions on behalf of Owners under these provisions shall list in writing with District Council No. 16, Pipe Trades Trust Funds, and with the appropriate Contractors Association the names of all Owners on whose behalf contributions are being made. With respect to corporations, the listing shall include the percentage amount of stock owned by each individual. For purposes of corporate ownership the ownership interest of all members of the immediate family (i.e. spouse and children) shall be listed and considered one person for the purposes of determining percentage ownership.

C.1.2.6 Once a non-exempt Owner stops performing bargaining unit work, or the contractor becomes delinquent more than forty-five (45) days to the Trust Funds, the non-exempt Owner is no longer eligible to participate in the Trust Funds and all Trust Fund benefits are forfeited and revert to the Trust Funds, except vested benefits that by law cannot be lost, i.e. vested pension benefits and vacation and holiday contributions. This forfeiture shall not apply if the contractor goes out of business, or the non-exempt Owner becomes unemployed, and the non-exempt Owner makes himself available for covered work by immediately signing the local union’s out-of-work list. Under these circumstances, there shall be a continuity of Trust Fund participation.

### C.1.3 OWNERS ENGAGED IN ADMINISTRATION OF WORK AND ALUMNI

C.1.3.1 Owners who are actively involved in the administration of bargaining unit work may participate in the Trust Funds. Such classifications as bookkeepers and lawyers are not included in the administration of bargaining unit work. Trust Fund contributions for Owners reported under this provision shall be paid at the construction journeyman contribution rate of one hundred ten (110) hours per month or hours worked, whichever is greater.

C.1.3.2 Each contractor must designate in writing as required in Paragraph C.1.2.5 above Owners participating under Paragraph C.1.3.1. Participation in the Trust Funds shall commence thirty (30) days after giving written notification to District Council No. 16, Pipe Trades Trust Funds, and appropriate Contractors Association. Failure to provide written notice shall result in no obligation on the Trust Funds part to cover such corporate Owners.

C.1.3.3 Notwithstanding any other provision of these Sections (C.1, C.2, C.3), contractors may continue contributions to the Pipe Trades Trust Funds on behalf of compensated employees who were previously covered by the Funds while working as a regular bargaining unit employee under this Agreement or any other District Council 16 agreement. Such employees shall be considered bargaining unit alumni and their participation in the Pipe Trades Trust Funds will be in accordance with the rules and regulations of those Funds.

C.1.3.4 Once a contractor elects not to provide Trust Fund participation under these provisions, or becomes delinquent more than forty-five (45) days, the individuals covered hereunder are no longer eligible to participate in the Trust Funds and all Trust Fund benefits are forfeited and revert to the Trust Funds, except vested benefits that by law cannot be lost, i.e. vested pension benefits and vacation and holiday contributions. This forfeiture shall not apply if the contractor goes out of business, or the individual becomes unemployed, and the individual makes himself available for covered work by immediately signing the local union's out-of-work list. Under these circumstances, there shall be a continuity of Trust Fund participation.

### C.1.4 SPECIAL PARTICIPATION AGREEMENTS

C.1.4.1 As a condition of acceptance of contributions on behalf of anyone for which these Sections apply (C.1, C.2, C.3) the Pipe Trade Trust Funds may require the contractor to sign a special participation agreement on the terms and conditions established by the Trustees.