

## **ARTICLE VI**

### **National Electrical 401K Plan**

**Section 6:01.** It is agreed that the individual Employer, in accord with the National Electrical 401(k) Plan Agreement and Trust (“Agreement and Trust”) as entered into between the National Electrical Contractors Association and the International Brotherhood of Electrical Workers, as amended, will participate in the National Electrical 401(k) Plan (“NEFP”).

The individual Employer recognizes that applicable rules require contributions to be transmitted to a 401(k) plan as soon as they can reasonably be segregated from the general assets of the employer. The Trustees of the NEFP strongly encourage all contributing employers to regularly remit to the NEFP or its designee any and all bargaining unit employee elective deferrals within seven business days of the date when the Employer receives or withholds such employee elective deferrals. However, in recognition that some employers may be unable reasonably to segregate participant contributions from their general assets more frequently than the standard monthly processing cycle for participant contributions to pension plans, as noted in U.S. Department of Labor Field Assistance Bulletin 2003-2, all contributions must be remitted by the fifteenth (15<sup>th</sup>) of the month following the month in which the amounts would otherwise have been payable to the participant. In all events, contributions not remitted by this date shall constitute a debt due and owing to the NEFP. In making such contributions, the individual Employer shall utilize the NEFP’s electronic remittance system. Further, in agreeing to participate in the NEFP, the individual Employer agrees to cooperate with the NEFP by submitting all reasonably requested documents and information necessary for the NEFP to perform all required testing of the NEFP under the tax laws.

The Chapter and/or the individual Employer, as the case may be, and the Local Union certify that no existing defined benefit plan was terminated or modified in any manner solely as a condition upon or as a result of the adoption of the NEFP. This provision does not interfere with the rights and obligations of such local plan(s)’ trustees to make changes to the plan(s) pursuant to the needs of the plan(s), their fiduciary duty, and the requirements of ERISA, the Pension Protection Act, or other laws and regulations.

Inasmuch as the NEFP is intended to offer bargaining unit employees the opportunity to defer current salary into a retirement savings plan and not to replace any existing employer-funded defined benefit plan, no employer contributions will be required or accepted on behalf of individuals for hours worked under the terms of this agreement.

The individual Employer hereby accepts, and agrees to be bound by, the Agreement and Trust.

An individual Employer who fails to remit employee elective deferrals as provided above shall be subject, in addition to all remedies afforded by law or in the Agreement and Trust, to having its participating in the NEFP suspended or terminated at the discretion of the Trustees of the NEFP upon written notice to the individual Employer. An individual Employer who fails to remit as provided above shall be additionally subject to having this agreement terminated upon seventy-two (72) hours’ notice in writing being served by the Union, provided the individual Employer fails to show satisfactory proof that the required payments have been paid to the appropriate local collection agent.

The failure of an individual Employer to comply with the applicable provisions of the Agreement and Trust shall also constitute a breach of his labor agreement.