

PARTICIPATION AND CONTRIBUTION RULES FOR THE CASCADE PENSION TRUST

AMENDED AS OF JANUARY 1, 2024

The purpose of this document is to generally outline the rules for participation in and contributions to the Cascade Pension Trust for employees working for contributing employers within the jurisdictions of IBEW Locals 280, 659 and 932. It is necessarily general. The exact rules are set out in the agreements establishing the Trust and in each collective bargaining agreement. If there is any conflict between this outline and those agreements, the agreements control.

Each signatory employer is obligated to contribute to the Trust for all hours worked in any of the three Locals by bargaining unit employees. However, the contribution rate may vary by job category and in case of some categories, such as first year apprentices, may be zero. In addition, there are special rules permitting contributions for nonbargaining unit employees.

Contribution rates for bargaining unit employees are specified in the applicable collective bargaining agreement and vary by Local. Therefore, a report must be filed each month for each Local in which a contributing employer works. For example, if a contributing employer performs covered work in Local 280 and Local 659 in the same month, two reports must be filed: one for the work done in Local 280 and one for the work done in Local 659. In addition, one employer may have more than one bargaining agreement with a given Local. In that case, the employer must file a monthly report under each bargaining agreement.

The contribution and participation rules are summarized below. In addition, the matrix attached as **Exhibit 1** displays the rules in graphic form. Any remaining questions about participation or contributions should be presented to the administrator for the Trust.

1. **Bargaining Unit Employees.** The employer must contribute on all bargaining unit employees at the hourly rate specified in the applicable labor contract.

2. **Partners and Proprietors.** Sole proprietors or partners of contributing employers are not permitted to participate in the Cascade Pension Trust under any circumstances even if they work with the tools doing work covered by the bargaining agreement.

3. **Corporate Officers, Directors and Shareholders.** Officers, directors and shareholders of corporate employers, and members and managers of limited liability companies who are employers, may participate in the regular Cascade Pension Trust. If they work with the tools doing covered work and the bargaining agreement or MOU thereto allows them to elect to be Category 1 employees, if they so elect they shall report and contribute at the bargaining agreement hourly rate for the covered work they perform. If they do not work with the tools, they are considered Category 2 employees and must satisfy the Category 2 participation requirements set forth in paragraph 4 below.

4. **Category 2 Employees.** Category 2 employees (i.e. employees not covered by the bargaining agreement) are divided into two groups: (a) alumni and (b) other Category 2 employees. An employer may elect to contribute either on alumni only or on all Category 2 employees including alumni. The election is made by the employer by entering into a written participation agreement with Cascade and returning it to the trust administrator. See **Exhibit 2**. Contributions are not allowed in either case for sole proprietors or partners.

a. **Alumni.** Alumni are non-bargaining unit employees who were formerly bargaining unit employees represented by Local 280, 659 or 932 who worked at least one-half of their hours during the current or a

prior year under a bargaining agreement with one of such locals. If the employer elects to contribute on alumni only, the employer must contribute at the inside bargaining agreement journeyman hourly rate for the jurisdiction in which the employer's principal Oregon office was located on the date the participation agreement was signed. Contributions may not be made to the 401(k) Plan by alumni if the employer elects to contribute for only alumni.

b. **All Category 2.**

(1) **Regular Plan.** An employer may elect to contribute to the regular plan on all Category 2 employees (including alumni and corporate officers, etc. described in Section 3 above, who work with the tools but elect to contribute as category 2 employees) instead of alumni only. If the employer selects this option, it must contribute on the Category 2 employees at a fixed percentage of compensation or a fixed rate per hour or month. The method selected by the employer must be approved by the trustees. Contributions may not exceed one hundred percent of category 2 employee's compensation.

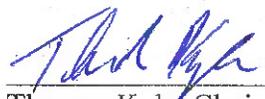
(2) **401(k) Plan.** In addition, if an employer contributes at least three percent of each category 2 employee's compensation to the regular plan on behalf of all category two employees (including alumni) each category 2 employee may contribute up to one hundred percent of salary or the maximum dollar limit for the year, whichever is less, to the 401(k) Plan.

5. **Local Unions, etc.** Local Unions 280, 659 and 932, the Oregon Pacific Cascade Chapter of the National Electrical Contractors Association, any credit union sponsored by a Local Union for the benefit of its members, and any trust established under ERISA by an agreement between NECA and a Local Union may also sign a participation agreement under which its non bargaining unit employees can participate. The contribution rate need not be uniform, and employees can participate in the 401(k) Plan regardless of the amount of the employer contribution to the regular plan. But, the contribution rate and employee coverage must be approved by the trustees, and must satisfy the nondiscrimination requirements of the Internal Revenue Code. In addition, unless alumni-only participation is elected, then commencing with hours worked on or after July 1, 2022, all employees who work any hours for the employer must be permitted to participate in both of Cascade's plans.

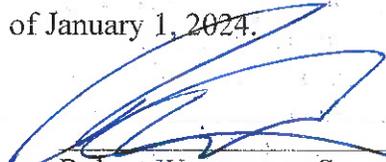
6. **Category 2 Certification.** At the end of each calendar year each employer contributing to the trust under section 4 or 5 above shall file a certificate in the form of **Exhibit 3** attached hereto confirming that the contributions comply with all trust requirements. For such certificates made in every year after 2021, the trust administrator, in consultation with the trust attorney, will modify the years listed, and amounts paid to highly compensated employees, in Exhibit 3. Any employer who fails to provide such certification shall not be eligible to contribute on any Category 2 employees.

7. **Variation.** The trustees retain the discretion to approve a participation agreement for one or more Category 2 employees which deviates from the forms and procedures outlined in these participation and contribution rules on a case by case basis. The decision by the trustees approving, denying, modifying or terminating any such special participation agreement shall be final and binding upon everyone involved in accordance with Article VIII, Section 1 of the Trust Agreement.

Adopted on October 23, 2023, to be effective as of January 1, 2024.



Thomas Kyle, Chair
Employer Representative



Robert Westerman, Secretary
Employee Representative

EXHIBIT 1 - PARTICIPATION GUIDELINES

TYPE OF BUSINESS	TYPE OF EMPLOYEE	CASCADE REGULAR PLAN	CASCADE 401(k) PLAN
EMPLOYEES OF ANY TYPE OF BUSINESS (except Officers, Directors, Shareholders, Members, Managers, Sole Proprietors or Partners)	Category 1	YES - CBA Contribution Rate (1)	YES - Employee Selects Contribution Rate
	Alumni	Optional (2)	NO
	All Category 2 (including alumni) other than specified below	Optional (3)	Optional (4)
CORPORATION and LIMITED LIABILITY COMPANY	Officers, Directors and Shareholders and LLC members and managers who work with tools	Optional (5)	Optional (4)
	Officers, Directors Shareholders and LLC Members and Managers who do not work with tools	Optional (6)	Optional (4)
SOLE PROPRIETORS	Owner Who Works with Tools	NO	NO
	Owner Who Does Not Work with Tools	NO	NO
PARTNERSHIP	Partner Who Works with Tools	NO	NO
	Partner Who Does Not Work with Tools	NO	NO
EMPLOYEES OF LOCAL UNIONS, NECA, CREDIT UNIONS OR ERISA TRUST FUNDS	Category 2	Optional (3)(b)	Optional (3)(b)
	Alumni	Optional (2)	Optional (3)(b)

- (1) The contribution rate may vary for overtime work and for apprentices. Check the bargaining agreement.
- (2) If the employer elects to contribute on alumni only, Regular Plan contributions are made for all alumni at the inside journeyman rate for the jurisdiction of the employer's principal Oregon office on the date the participation agreement is signed, and no other nonbargaining employees participate in Cascade.
- (3) Participation is allowed only if:
 - (a) all Category 2 employees including alumni participate;
 - (b) participation is approved by the Trustees; and
 - (c) contributions are uniform for all Category 2 participants (e.g., fixed rate per hour or month, or percentage of salary)
- (4) Category 2 employees and officers, directors, shareholders and alumni may participate in the 401(k) plan only if the employer contributes three percent or more of each category 2 (including officers, directors, shareholders and alumni) employee's compensation to the Regular Plan.
- (5) As and to the extent permitted by any then-outstanding bargaining agreement or MOU thereto, Corporate Officers, Directors and Shareholders and LLC members and managers who work with the tools may elect to be treated as Category 1 employees and report themselves as bargaining unit employees and contribute at the bargaining agreement rate for the covered work.
- (6) Corporate Officers, Directors and Shareholders and LLC members and managers who do not work with the tools may participate only if they participate as alumni or Category 2 as described in notes (2) (3) and (4) above.

**EXHIBIT 2-A
PARTICIPATION AGREEMENT
(For Employers Other Than Local Unions, NECA, Credit Union and Trust Funds)**

1. **Agreement.** The Cascade Pension Trust allows contributing employers to also contribute for their non-bargaining unit employees if (a) the employer enters into a participation agreement with the Trust and (b) the employer contributes to the Trust for all of (i) its non-bargaining unit employees or (ii) its employees who are "alumni." Contributions are not permitted for partners if the employer is a partnership or the owner if the owner is a sole proprietor. Alumni are employees who have an account with Cascade and during the current or a prior calendar year worked at least one half of the employee's total hours of service for employers contributing to Cascade, as a member of an IBEW bargaining unit. The undersigned employer agrees to contribute to the Cascade Pension Trust for non-bargaining unit employees as provided herein and agrees to be bound by all of the terms of the Cascade Pension Agreement and Declaration of Trust and the Cascade Pension Plan as amended from time to time and the rules and policies adopted by the trustees. If either plan is determined to be "top-heavy" as defined by Section 416 of the Internal Revenue Code for any year, the undersigned employer shall make the minimum contribution required by Section 416 to satisfy its requirements. This agreement is not valid until accepted by the Trust Administrator.

2. **Election.** The employer agrees to make contributions starting on _____, 20____ on behalf of all (check one): () Alumni () All Non-bargaining employees.

3. **Money Purchase Plan Contribution Rate.**

a. **Alumni.** If the employer elects to contribute on alumni only, then the employer shall contribute to the Trust at the hourly contribution rate for journeyman electricians required by the IBEW Inside collective bargaining agreement applicable to the employer's covered employees working in the same jurisdiction as employer's principal Oregon office on the starting date above. **If the employer elects to contribute on alumni only, no 401(k) contributions are permitted, and no other nonbargaining employees (other than the alumni) may participate in Cascade.**

b. **All Non-bargaining employees.** If the employer elects to contribute on all of its non-bargaining unit employees, then the employer shall contribute a fixed percentage of compensation, a fixed rate per hour or a fixed amount per person per month. The amount contributed must be uniform for all non-bargaining unit employees including alumni and may not exceed one hundred percent of any employee's compensation (up to the maximum permissible dollar limit for the year) (complete one): _____% of compensation \$ _____ per hour \$ _____ per person per month.

4. **401(k) Plan Contributions.** The Cascade Pension Trust has an employee funded 401(k) plan in addition to the regular plan funded by employer contributions. Non-bargaining unit employees may contribute to the 401(k) plan, but **if and only if their employer makes contributions to the regular plan for all non-bargaining unit employees equal to at least three percent of their compensation.** If the employer elects to do so, then Category 2 employees may contribute up to one hundred percent of salary to the 401(k) plan (up to the maximum annual dollar limit).

5. **Termination and Amendment.** The employer or the trust may terminate this agreement at the end of any calendar month upon not less than 30 days' prior written notice to the other party. However, if the employer terminates this agreement, then the employer may not enter into a new participation agreement for one year following termination. This agreement shall automatically terminate any time the employer ceases to be a party to a collective bargaining agreement with an IBEW Local which requires the employer to make contributions to the Cascade Pension Trust. This agreement may be amended by the employer and Trust entering into a new participation agreement. The employer may enter into a new participation agreement no more than one time per year without the trustee's prior approval.

6. **Reports.** Employer agrees to provide all reports, records, certifications and information which the trust may reasonably request.

EMPLOYER
Name: _____
By: _____
Its: _____
Date: _____

CASCADE PENSION TRUST
By: _____
Plan Administrator
Date: _____

EXHIBIT 2-B
PARTICIPATION AGREEMENT
(For Local Union, NECA, Credit Union and Trust Fund Employers)

1. **Agreement.** The Cascade Pension Trust allows Local Unions 280, 659 and 932, the Oregon Pacific Cascade Chapter of NECA, credit unions sponsored by the Unions and ERISA trust funds set up by NECA and the Unions to contribute for their non-bargaining unit employees if (a) the employer enters into a participation agreement with the Trust and (b) the employer contributes to the Trust for either (i) its non-bargaining unit employees or (ii) its employees who are "alumni." Alumni are employees who have an account with Cascade and during the current or a prior calendar year worked at least one half of the employee's total hours of service for employers contributing to Cascade, as a member of an IBEW bargaining unit. The undersigned employer agrees to contribute to the Cascade Pension Trust for its employees as provided herein and agrees to be bound by all of the terms of the Cascade Pension Agreement and Declaration of Trust and the Cascade Pension Plan as amended from time to time and the rules and policies adopted by the trustees. If either plan is determined to be "top-heavy" as defined by Section 416 of the Internal Revenue Code for any year, the undersigned employer shall make the minimum contribution required by Section 416 to satisfy its requirements. This agreement is not valid until accepted by the Trust Administrator.

2. **Election.** The employer agrees to make contributions starting on _____, 20____, on behalf of all (check one): () Alumni () Non-bargaining employees.

3. **Money Purchase Plan Contribution Rate.**

a. **Alumni.** If the employer elects to contribute on alumni only, then the employer shall contribute to the Trust at the hourly contribution rate for journeyman electricians required by the IBEW Inside collective bargaining agreement applicable to covered employees working in the same jurisdiction as employer's principal Oregon office on the starting date above.

b. **All Non-bargaining employees.** If the employer elects to contribute for employees, in addition to alumni, then the covered employees and the contributions for each employee must satisfy the non-discrimination requirements of the Internal Revenue Code and be approved by the trustees. The employer elects to cover employees and make contributions as follows: _____

Note: effective with hours worked on or after July 1, 2022, employers who elect to cover all non-bargained employees must make contributions for all employees, including part-time employees, and may not exclude such employees from participation.

4. **401(k) Plan Contributions.** The Cascade Pension Trust has an employee funded 401(k) plan in addition to the regular plan funded by employer contributions. If the employer elects to contribute to the regular plan, then participating employees may contribute up to one hundred percent of salary to the 401(k) plan (up to the maximum annual dollar limit).

5. **Termination and Amendment.** The employer or the trust may terminate this agreement at the end of any calendar month upon not less than 30 days' prior written notice to the other party. However, if the employer terminates this agreement, then the employer may not enter into a new participation agreement for one year following termination. This agreement shall automatically terminate any time the employer ceases to be a party to a collective bargaining agreement with an IBEW Local which requires the employer to make contributions to the Cascade Pension Trust. This agreement may be amended by the employer and Trust entering into a new participation agreement. The employer may enter into a new participation agreement no more than one time per year without the trustee's prior approval.

6. **Reports.** Employer agrees to provide all reports, records, certifications and information which the trust may reasonably request.

EMPLOYER

CASCADE PENSION TRUST

Name: _____
By: _____

By: _____
Plan Administrator

Its: _____
Date: _____

Date: _____

**EXHIBIT 3-A
CERTIFICATION OF COMPLIANCE
(For Employers Other Than Local Union, NECA, Credit Union or Trust Funds)**

The undersigned employer has Category 2 (nonbargaining unit) employees for whom contributions were made to the Cascade Pension Trust during the last calendar year. The undersigned employer represents, certifies and warrants:

1. All of the employer's (check one) () Category 2 employees () alumni participated in the Cascade Pension Trust during such year;

2. The formula by which contributions were calculated and actually made to the Cascade Pension Trust for Category 2 employees was _____

3. Following is a list of individuals who owned an interest in the employer at any time during the current or last two calendar years and their ownership percentage. If they are related¹ to any other owner, include on the list the related owner and the related party's ownership percentage.

	Owner	Ownership Percentage	Related Owner	Related Party's Ownership Percentage
1.				
2.				
3.				
4.				
5.				

4. If the employer's Category 2 employees contributed to the Cascade Pension Trust 401(k) Plan, the employer contributed to the regular Cascade Pension Plan for each Category 2 employee three percent (3%) or more of the employee's compensation.

5. Did the employer pay any Category 2 employee more than \$135,000 in 2022? Yes ___ No ___. If yes, list the employee's name, social security number and compensation below.

	Name	Social Security Number	Compensation
1.			
2.			
3.			
4.			
5.			

6. List any other tax exempt retirement plans to which the employer makes contributions for the last calendar year on behalf of any category 2 employees: _____

7. The total number of employer's Category 2 employees who participated in Cascade last year was: _____

I certify that the foregoing is true and correct. I understand that if such information is not correct, the undersigned employer's Category 2 employees may not participate in the Cascade Pension Trust.

Dated this _____ day of _____, 20_____.

Employer

By: _____

¹ List only spouse, parents, children and grandchildren

EXHIBIT 3-B

**CERTIFICATION OF COMPLIANCE
(For Local Unions, NECA, Credit Union and Trust Funds)**

The undersigned employer has Category 2 (nonbargaining unit) employees for whom contributions were made to the Cascade Pension Trust during the last calendar year. The undersigned employer represents, certifies and warrants:

1. The employer's Category 2 employees who participated in the Cascade Pension Trust during such year were (check one): eligible Category 2 employees alumni only;

2. The standard for employee participation and the formula by which contributions were calculated and actually made to the Cascade Pension Trust was _____

3. Did the employer pay any employee over \$135,000 in 2022? Yes _____ No _____. If yes, list their name, social security number and compensation.

	Name	Social Security Number	Compensation
1.			
2.			
3.			
4.			

4. List any other tax exempt retirement plans to which the employer made contributions for the last calendar year on behalf of any of its employees: _____

5. If the answer to question 1 was "eligible Category 2 employees", then please also list all Category 2 employees, if any, who were ineligible or otherwise excluded from participation in Cascade at any time in the prior calendar year. NOTE: unless participating only for alumni, then commencing with hours worked on or after July 1, 2022, all employees who work any hours under must receive Cascade contributions:

	Name	Social Security Number	Reason not a Cascade participant last year?
1.			
2.			
3.			
4.			

6. The total number of employer's Category 2 employees who participated in Cascade last year was: _____

I certify that the foregoing is true and correct. I understand that if such information is not correct, the undersigned employer's employees may not participate in the Cascade Pension Trust.

Dated this _____ day of _____, 20_____.

Employer

By: _____