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APR 3 1978

TRUST AGREEMENT
OF
TENNESSEE VALLEY PAINTERS
HEALTH AND WELFARE FUND

TENNESSEE VALLEY PAINTERS
HEALTH AND WELFARE FUND

TRUST AGREEMENT

Whereas, in the current General Agreements between the Tennessee Valley Authority and the Tennessee Valley Trades and Labor Council it is provided that effective on or about January 1, 1978 the Tennessee Valley Authority will pay to a health and welfare fund 40 cents per hour worked for all construction employees and hourly operating and maintenance employees which come under the jurisdiction of the International Brotherhood of Painters and Allied Trades, and

Whereas, various other employers or employer associations have entered into, or will from time to time hereafter enter into collective bargaining agreements with local unions of the International Brotherhood of Painters and Allied Trades on behalf of employees represented by them, all of which collective bargaining agreements may provide, among other things, for the payment, by said employers to this trust fund, known as the Tennessee Valley Painters Health and Welfare Fund of hourly contributions for health and welfare purposes as set forth in said collective bargaining agreements, and

Whereas, the Trustees desire a trust instrument complying with the applicable requirements of Tennessee State Law, the Labor-Management Relations Act of 1947 as amended, the Employee Retirement Income Security Act of 1974, (hereinafter referred to as "ERISA") applicable sections of the Internal Revenue Code of the United States, and the Regulations of the U.S. Department of Labor, and

Whereas, the parties hereto desire to set forth the powers and duties of the Trustees and how this Trust Fund shall be administered, and

Whereas, the parties have named two trustees,

one (1) appointed by the Tennessee Valley Authority and one (1) appointed by the International Brotherhood of Painters and Allied Trades who will serve as the original Trustees.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, and in order to establish and provide for the maintenance of the aforesaid Trust Fund, and in consideration of the declaration of the Trustees that they will accept the Trust and act as Trustees of said Trust Fund, and that they will receive and hold all monies or property which may come into their hands as Trustees hereunder, for the uses and purposes hereinafter set forth, this Trust Fund is hereby established.

ARTICLE I

DEFINITIONS

Section 1. Association. The term "association" means any Chapter of the Painting and Decorating Contractors of America or similar alliance of employers and the Tennessee Valley Authority.

Section 2. Union. The term "union" shall mean the International Brotherhood of Painters and Allied Trades and any of its locals.

Section 3. Trustees. The term "Trustees" as used herein shall mean the persons designated as trustees pursuant to Article III of this Declaration of Trust.

Section 4. Employer. The term "Employer" shall mean and include:

- (a) Any person, partnership, firm or corporation which has become a party to the Trust Agreement and who has agreed by a collective bargaining agreement with the union to make remittances to or contribute to the trustees, as part of the Trust Fund such sum as the employer may be obligated to contribute in accordance with said

collective bargaining agreement for each hour worked for such employer by an employee;

- (b) The Association and any Union in their capacity as employers;
- (c) Any Joint Apprenticeship Training Committee in which the unions and employers participate;
- (d) The building corporation of any Local Union and any trust fund established by any union and any employer.

Section 5. Employee The term "Employee" as used herein shall include:

- (a) Any person covered by a collective bargaining agreement who is engaged in employment with respect to which the employer is obligated to make contributions to this health and welfare fund;
- (b) Any other person, or classification of persons not covered under a collective bargaining agreement between the employer and union as may be accepted by the Trustees and for which contributions are received at the rate set forth in Section 6(b).
- (c) All salaried employees of any union, the Association, the Trust, and any other Fund to which "ERISA" is applicable established by the contracting parties for which contributions are made at the rate set forth in Section 6(b).
- (d) Any person retired due to disability or age, if provided for in the Plan, and for whom the contributions are received as provided for in said Plan.
- (e) Any employee, if provided for in the Plan, who is
 - (1) temporarily out of work but seeking work in the trade, or
 - (2) unable to work due to physical disability and contributions

are received at the rate as set forth in Section 6 (d).

- (f) Any employee who is qualified under the Plan and then ceases to work at the trade, provided individual contributions are received at the rate as set forth in Section 7 (b) for the time limit provided in the Plan.

Section 6. Contributions

(a) Employer Contributions The term "Employer Contributions" as used herein, shall mean payments made by the employers to the Fund and at the rate required by the collective bargaining agreement in effect.

(b) Contributions for Salaried Employees The term "Contributions for Salaried Employees" shall mean payments for participants not covered by a collective bargaining agreement and includes employees as defined in Section 5 (b), (c), and (f). The rate shall be based upon a 40-hour week at the hourly rate as provided in the collective bargaining agreement for employer contributions in Subsection (a) above.

(c) Retired Employee Contributions The term "Retired Employee Contributions", if provided for in the Plan, shall mean individual-payment by retired employees at the rate set forth in the Plan.

(d) Individual Contributions The term "Individual Contributions," if provided for in the Plan, shall mean the self-payment by the employees who are out of work but seeking work in the trade, or unable to work due to physical disability. Individual contributions shall be at the rate provided in the collective bargaining agreement and for the minimum number of hours per quarter required under the Plan. The Trustees are further authorized to waive such contributions.

Section 7. Participant The term "Participant" shall mean any person, or his or her beneficiary who may become eligible to receive a benefit in the Plan of this

Fund. The term includes all the employees named in Section 5. The term shall also mean the same as defined in "Definitions" of Title I, Section 3 (7) of ERISA.

Section 8. Agreement and Declaration of Trust

The term "Agreement and Declaration of Trust" shall mean this instrument including any amendments hereto and modification hereof.

Section 9. Plan The term "Plan" shall mean the program of benefits and conditions for eligibility thereto to be established by the Trustees pursuant to this Declaration of Trust and ERISA. The Plan shall also mean the same as defined in "Definitions" of Title I, Section 3 (1) of ERISA.

The Plan shall include all information required by Section 102, 402, and 403 of ERISA, the "Regulations", and such further information as may be deemed desirable by the Trustees.

Section 10. Fund The term "Fund" shall mean the Health and Welfare Fund, the Trust Fund, created pursuant to this Agreement and shall mean generally the monies or other things of value which comprise the corpus and additions to the Trust Fund. The purposes of the Fund are set forth hereinafter under Article II.

Section 11. Retired Employees The term "Retired Employees" shall mean one who had heretofore been working in the trade and desires to participate in the Health and Welfare Fund by making individual contributions in the amount set forth in the Plan.

Section 12. Benefits The term "Benefits" shall mean the welfare benefits to be provided pursuant to the Plan.

Section 13. Collective Bargaining Agreements The term "Collective Bargaining Agreements" shall mean the Collective Bargaining Agreements in force and effect between the unions and the employers together with any modifications or amendments thereto.

Section 14. Trade The term "Trade" means the work customarily performed by Painters, Decorators or Allied Trades.

Section 15. Administrator The term "Administrator", as used herein, shall mean any person or firm which the Trustees may select to administer this Trust Fund.

Section 16. ERISA The term "ERISA" means the "Employee Retirement Income Security Act of 1974" and as the same may be amended from time to time.

Section 17. Regulations The term "Regulations" means the Rules and Regulations as issued by the U.S. Department of Labor.

Section 18. Reports The term "Reports" means the reports required by ERISA, the "Regulations" and the Internal Revenue Code.

ARTICLE II

CREATION AND PURPOSE OF THE FUND

Section 1. There is hereby established the Tennessee Valley Painters Health and Welfare Fund to be used for the purpose set forth in this Agreement and Declaration of Trust. This Fund is and shall constitute an irrevocable trust created pursuant to all applicable State and Federal Laws.

Section 2. The Fund shall be a Trust Fund and shall be used for the purpose of providing health and welfare benefits including, but not limited to, Life Insurance, Accidental Death and Dismemberment Benefits, Disability Benefits, and Hospitalization, Surgical, and Medical Benefits for employees of the employers or their eligible dependents, as decided by the Trustees, and for financing the expenses of the Trustees and the operation and administration of the Fund, in accordance with this Agreement and Declaration of Trust.

Section 3. The Trustees shall develop and maintain a sound and stable plan taking into consideration adequate standards as set forth in ERISA and the Regulations.

ARTICLE III

THE TRUSTEES

Section 1. The Fund shall initially be administered by a Board of Trustees, consisting of two (2), one of whom shall be appointed by the Tennessee Valley Authority and one by the International Brotherhood of Painters and Allied Trades.

Section 2. Local unions of the International Brotherhood of Painters and Allied Trades and employer associations having collective bargaining agreements requiring periodic payment into this Fund may become parties to this Agreement by duly executing an instrument in writing by which said additional parties agree to be bound by the Terms and provisions of this Agreement.

Each new union and employer association becoming a party to this Agreement shall each appoint one Trustee. The total number of Trustees representing unions and the total number of Trustees representing employer associations shall at all times be equal.

Should any local union cease to have a collective bargaining agreement requiring periodic payments into this Trust Fund, then the office of the trustee appointed by such local union and the office of the trustee appointed by the employer association bargaining with such local union shall become vacant and terminate.

Section 3. Each Trustee above named, and each successor Trustee shall continue to serve as such until his death, incapacity, resignation or removal. Employer Trustees may be removed and replaced by successor Employer Trustees at will by the Association responsible for their appointment; and the Union Trustees may be removed and replaced by successor Union Trustees at will by the Union.

Section 4. In case any Union Trustees shall be removed, replaced or succeeded, a statement in writing by the Secretary-Treasurer or Business Manager of the Union shall be sufficient evidence of the action taken by the Union. In case any Employer Trustee shall be removed, replaced or succeeded, a statement in writing by the appropriate official of the Association shall be sufficient evidence of the action taken by the Association. Any resignation by a Trustee shall be in writing by mail, addressed to the office of the Fund and the acceptance acknowledged by the Trustees by mail.

Section 5. In the event of a vacancy among the Trustees, until the appointment and acceptance of a successor trustee or trustees, the remaining Trustees shall have full power to act, subject only to the quorum requirements provided hereinafter.

ARTICLE IV

POWERS, DUTIES AND OBLIGATIONS OF TRUSTEES

Section 1. The Trustees are authorized and empowered to lease or purchase such premises, materials, supplies and equipment, and to hire and employ and retain such legal counsel, investment counsel, administrative, accounting, actuarial, clerical and other agents or employees as in their discretion they may find necessary or appropriate in the performance of their duties; and to pay reasonable expenses or compensation therefor; and to delegate to any agents or Employees such duties as they consider appropriate.

Section 2. The Trustees shall have power to interpret the provisions of this Agreement and Declaration of Trust and the terms used herein and any interpretation adopted by the Trustees in good faith shall be binding upon the Union, the Association, the Employers and the employees and their eligible dependents, beneficiaries and/or legal representatives.

Section 3. The Trustees are hereby empowered, in addition to other such powers as set forth herein or conferred by law:

- (a) To establish and administer a Health and Welfare Fund on behalf of the Employees referred to in this instrument.
- (b) To enter into any and all contracts and agreements for carrying out the terms of this Agreement and Declaration of Trust and for the administration of the Trust Fund and to do all acts as they, in their discretion, may deem necessary and advisable.
- (c) To compromise, settle, arbitrate, and release claims or demands in favor of or against the Trust Fund or the Trustees on such terms and conditions as the Trustees may deem advisable.
- (d) To establish and accumulate as part of the Trust Fund a reserve or reserves, adequate, in the opinion of the Trustees, to carry out the purpose of such Trust.
- (e) To pay out of the Fund all real and personal property taxes, income taxes and other taxes of any and all kinds leveled or assessed under existing or future laws upon or in respect to the Fund or any money, property, or securities forming a part thereof.
- (f) To receive contributions or payments from any source whatsoever to the extent permitted by law.
- (g) To invest and reinvest the reserves of the Health and Welfare Fund in any type of investments they deem appropriate and to take any and all action with respect to holding, buying, selling, exchanging such investments, in the name of their nominee, as they in their sole discretion may deem appropriate and necessary, provided that no investments shall be made in any securities of whatever nature or kind issued by any Employer.

- (h) To hold uninvested cash and interest thereon in such sums as they deem necessary or advisable for the cash requirements of the Fund.
- (i) In their discretion and to the extent they deem it wise, beneficial or necessary to appoint a bank or banks or trust company or trust companies to be designated as "Corporate Trustee", and to enter into and execute a trust agreement or agreements with such bank or banks or trust company or trust companies, to provide for the investment and re-investment of assets of the Health and Welfare Fund, with such other provisions incorporated therein as may be deemed desirable in the Trustees' sole discretion for the proper management of the Fund and upon such execution to convey and transfer to such Corporate Trustee any assets of the Fund and without limit with respect to the powers which the Trustees may grant to such Corporate Trustee in such agreement, to the extent permitted by law and to the extent that such investment is deemed appropriate and advisable.
- (j) To do all acts, whether or not expressly authorized herein, which the Trustees may deem necessary or proper for the protection of property held hereunder.
- (k) To do all acts, whether or not expressly authorized herein, which the Trustees may deem necessary to accomplish the general objective of enabling the employees to obtain health and welfare benefits in the most efficient and economical manner.

Section 4. The Trustees may receive reasonable compensation for services rendered, or for the reimbursement of expenses properly and actually incurred, in the performance of their duties with the Plan; except that no person so serving who

already receives full-time pay from an employer or an association of employers, whose employees are participants in the Plan, or from an employee organization whose members are participants in such Plan shall receive compensation from such Plan, except for reimbursement of expenses properly and actually incurred.

Section 5. (1) The Trustees and all fiduciaries under this Trust shall discharge their duties with respect to the Plan solely in the interest of the participants and beneficiaries and . . .

(a) For the exclusive purpose of:

- (1) Providing benefits to participants and their beneficiaries; and
- (2) Defraying reasonable expenses of administering the Plan;

(b) With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(c) By diversifying the investments of the Plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

(d) In accordance with the documents and instruments governing the Plan.

(2) A Trustee or fiduciary shall be liable for a breach of fiduciary responsibility of another fiduciary with respect to the Plan in the following circumstances:

(a) If he participates knowingly in, or knowingly undertakes to conceal, an act or omission of such other fiduciary, knowing such act or omission is a breach;

(b) If, by his failure to comply with Section 1 above in the administration of his specific responsibilities which give rise to his status as a fiduciary, he has enabled such other fiduciary to commit a breach; or

(c) If he has knowledge of a breach by such other fiduciary, unless he makes reasonable efforts under the circumstances to remedy the breach.

The Trustees and fiduciaries shall use reasonable care to prevent a co-trustee or fiduciary from committing a breach of duty. The Trustee or fiduciary shall not be liable for acts of co-trustee, fiduciaries, investment managers or administrators, as specifically set forth in the various subsections of Section 405 of ERISA.

No individual may serve as an administrator, fiduciary, officer, trustee, custodian, counsel, agent, employee or consultant under this trust agreement when such individual would be prohibited from doing so by Section 411 of ERISA.

Section 6. The Trustees or employees or firms employed by Trustees shall keep true and accurate books of account and records of all their transactions, which shall be audited at least annually by a certified public accountant selected by the Trustees. The report of such audits shall be available for inspection by the Trustees, the duly authorized representatives of the Union, or any employer, or by any participant or beneficiary of the Fund at the principal office of the Fund.

Section 7. The Trustees may authorize an Employer Trustee and a Union Trustee or any joint group equally composed of Employer and Union Trustees to jointly execute any notice or other instrument in writing and all persons, partnerships, corporations, or associations may rely thereupon that such notice or instrument has been duly authorized and is binding on the Fund and the Trustees.

Section 8. All monies received by the Trustees hereunder shall be deposited by them in such bank or banks as the Trustees may designate for that purpose and all withdrawals of monies from such account or accounts shall be made only by checks

signed by such Trustees as are authorized in writing by the Trustees to sign such checks. Except as hereinafter provided, no check shall be valid unless signed by two persons of whom one shall be a Union Trustee and one an Employer Trustee.

The Trustees may, in their discretion, designate and authorize an Employee of the Trust to sign checks upon such separate and specific bank account or bank accounts as the Trustees may designate and establish for such purpose.

Section 9. The Trustees shall, by resolution duly adopted, provide for fidelity bonds with such companies and in such amounts as provided by Section 412 of ERISA for Trustees or other persons who shall be authorized to receive and withdraw funds from the Trust Fund.

Section 10. The Trustees are authorized to purchase insurance for the fiduciaries of the fund or for the fund itself to cover liability or losses occurring by reason of the act or omission of a fiduciary, if such insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation by such fiduciary.

Section 11. The Trustees shall formulate a claims procedure in accordance with Section 503 of ERISA.

Section 12. The Trustees may obtain membership, in the name of the Fund, in a recognized organization established for the education and training of Trustees and Fund personnel. The Trustees may authorize one or more of the Board of Trustees or Fund Personnel to attend such organization's educational conferences or any industry conference and may authorize the payment by the Fund of the reasonable expenses actually incurred by said Trustee, Trustees, or Fund Personnel in attending said educational conferences.

Section 13. The Trustees shall have the power to enter into reciprocal agreements with other welfare funds covering employees in the painting industry so as to provide coverage

for eligible employees of both Funds, on such terms and conditions as shall be established by the Trustees. For those participants of one fund working in the jurisdiction of another fund, reciprocal agreements may provide for the transfer or exchange of money or credit to such related welfare funds and plans.

Section 14. The Trustees shall have the power to change the Rules of Eligibility or the Plan of Benefits at any time; however the Trustees shall make no change which would render the Fund actuarially unsound.

ARTICLE V

MEETING AND DECISIONS OF TRUSTEES

Section 1. Officers of Trustees. The Trustees shall elect a chairman and secretary-treasurer from among the Trustees. At no time shall both offices be held by Trustees designated by the same parties.

Section 2. Meeting of Trustees. Meetings of the Trustees shall be held at such place or places as may be agreed upon by the chairman and secretary-treasurer and may be called by the said officers upon five (5) days written notice to the other Trustees and may be held at any time without such notice if all the Trustees consent thereto in writing. An annual meeting shall be held in the month of July each year.

Section 3. Action by Trustees Without Meeting. Action by the Trustees may also be taken by them in writing without a meeting, provided, however, that in such cases there shall be unanimous written concurrence by all of the Trustees.

Section 4. Quorum. A quorum of the trustees shall consist of a majority of the trustees. If at any meeting the number of employer and union trustees present shall be unequal, then the group of trustees lesser in number shall be entitled to cast the same number of votes as the other group of trustees. The decisions of the trustees shall be determined by a majority vote of the votes cast at the meeting.

Section 5. Majority Vote of Trustees. All action by the Trustees shall be majority decision of the Employer and Union Trustees. Such majority vote shall govern not only this Article but any portion of this Agreement and Declaration of Trust which refers to action by the Trustees. In the event any matter presented for decision cannot be decided because of a tie vote, or because of the lack of a quorum at two consecutive meetings the matter may then be submitted to arbitration as hereinafter provided.

Section 6. Minutes of Meetings. The Trustees shall keep minutes of all meetings but such minutes need not be verbatim. Copies of the minutes shall be sent to all Trustees.

ARTICLE VI

CONTRIBUTIONS TO THE FUND

Section 1. Rate of Contributions. In order to effectuate the purposes hereof, each employer shall contribute to the Fund the amount required by the collective bargaining agreement between the Union and the Association. These contributions are termed "Employer Contributions" as defined in this instrument. The rate of contribution shall at all times be governed by the aforesaid collective bargaining agreement then in force and effect together with any amendments, supplements or modifications thereof. Contributions other than "Employer Contributions" are set forth in Section 6 of Article I and shall be set forth in the Plan.

Section 2. Effective Date of Contributions. All contributions shall be made effective as required by the collective bargaining agreement and shall continue to be paid as long as the Employer is so obligated pursuant to the collective bargaining agreement with the Union or until he has ceased to be an Employer within the meaning of this Agreement and Declaration of Trust as provided herein.

Section 3. Mode of Payment. All contributions shall be payable to Tennessee Valley Painters Health and Welfare Fund or an abbreviation thereof and shall be paid in the manner and form determined by the Trustees.

Section 4. Default in Payment. Nonpayment by an Employer of any contributions when due shall not relieve any other Employer of his obligation to make payments. In addition to any other remedies to which the parties may be entitled, an Employer in default after having been given ten days notice may be required at the discretion of the Trustees to pay such reasonable rate of interest as the Trustees may fix on the money due, interest to begin after the ten day notice and to run from said time to the date when payment is made. In addition thereto, all expenses incurred in the collection process shall be paid by such defaulting Employer. The Trustees may take any action necessary to enforce payment of the contributions due hereunder, including, but not limited to, proceedings at law and in equity.

Section 5. Report on Contributions. The Employers shall make all reports on contributions required by the Trustees. The Trustees may at any reasonable time have an audit made by independent certified public accountants of the payroll and wage records of any Employer in connection with the said contributions and/or reports. The cost of such audit shall be paid out of the Fund.

ARTICLE VII

PLAN OF BENEFITS

Section 1. Benefits. The Trustees shall have full authority to determine all questions of nature, amount and duration of benefits to be provided based on what it is estimated the Fund can provide without undue depletion or excessive accumulation, provided, however, that no benefits other than health and welfare benefits may be provided for or paid for under this Agreement and Declaration of Trust, and no Life Insurance; provided, the foregoing shall not prevent the Trustees from furnishing life insurance containing conversion privileges for beneficiaries.

Section 2. Recipients of Benefits. Benefits may be provided in accordance with Section 1 of this Article for Employees as defined in the definitions set forth in Article I of this Trust Agreement. In addition, such benefits may be provided, at the discretion of the Trustees, for eligible dependents of such Employees.

Section 3. Eligibility Requirement for Benefits. The Trustees shall have full authority to determine eligibility requirements for benefits and to adopt rules and regulations setting forth same which shall be binding on the Employees and their eligible dependents.

Section 4. Method of Providing Benefits. The benefits shall be provided and maintained by such means as the Trustees shall in their sole discretion determine.

Section 5. Written Plan of Benefits. The detailed basis on which payment of benefits is to be made pursuant to this Agreement shall be specified in writing as required under ERISA.

ARTICLE VIII

IMPARTIAL ARBITRATOR

Section 1. Failure of Trustees to Agree. Whenever the Employer and Union Trustees are deadlocked on any matter submitted for their concurrence with respect to administration of the Trust in accordance with the provisions of Article V, Section 5, the Trustees shall appoint an impartial arbitrator to decide such dispute. If the Trustees fail to agree upon an impartial arbitrator, either all or any of the Employer and Union Trustees, may petition the United States District Judge for the Southern Division of the Eastern District of Tennessee, for appointment of an impartial arbitrator to decide such dispute.

Section 2. Expenses of Arbitration. The cost and expense incidental to any arbitration proceeding, including

the fee, if any, of the impartial arbitrator, shall be a proper charge against the Fund and the Trustees are authorized to pay such charges.

ARTICLE IX

EXECUTION OF TRUST AGREEMENT

Section 1. Counterparts. This Trust Agreement may be executed in one or more counterparts. The signature of a party on any counterpart shall be sufficient evidence of his execution thereof.

Section 2. Written Instruments. An Employer may adopt and become a party to this Trust Agreement by executing a counterpart thereof or by executing any other written instrument wherein he agrees to participate in the Fund pursuant to the terms of this Trust Agreement and to accept as his representative on the Board of Trustees such Trustees as are named in the Agreement and Declaration of Trust as Employer Trustee and their successors appointed in the manner provided herein.

ARTICLE X

AMENDMENT TO TRUST AGREEMENT

Section 1. Limitation of Right to Amendment. No amendment may be adopted which will alter the basic principles of this Agreement and Declaration of Trust, be in conflict with the collective bargaining agreement which established requirements for contributions to the Fund created hereunder, or be contrary to the laws governing trust funds of this nature.

Section 2. Amendment by Trustees. This Agreement and Declaration of Trust may be amended in any respect from time to time by the Trustees, provided that each amendment shall be duly executed in writing by the Trustees and annexed hereto. As to any amendment, the Trustees in their sole discretion shall have full power to fix the effective date thereof.

Section 3. Amendment by Union and Association. The Union and the Association shall have the same powers to amend this Agreement and Declaration of Trust as set forth in Section 2. hereof and as limited by Section 1. hereof.

Section 4. Notification of Amendment. Whenever an amendment is adopted in accordance with this Article, a copy thereof shall be distributed to all Trustees, and the Trustees shall so notify all necessary parties and shall execute any instrument or instruments necessary in connection therewith.

ARTICLE XI

TERMINATION OF TRUST

Section 1. By the Trustees. This Agreement and Declaration of Trust may be terminated by an instrument in writing executed by all the Trustees when there is no longer in force and effect a collective bargaining agreement between any Employer and Union requiring contributions to the Fund.

Section 2. By the Parties. This Agreement and Declaration of Trust may be terminated by an instrument in writing duly executed by the Association and the Union.

Section 3. Procedure on Termination. In the event of the termination of this Agreement and Declaration of Trust, the Trustees shall apply the Fund to pay or to provide for the payment of any and all obligations of the Fund and shall distribute and apply any remaining surplus in such manner as will in their opinion best effectuate the purpose of the Fund; providing, however, that no part of corpus or income of said Fund shall be used for or diverted to purposes other than for the exclusive benefits of the Employees of the Employers or their eligible dependents, or the administrative expenses of the Fund or for other payments in accordance with the provisions of the Fund. Under no circumstances shall any portion of the corpus or income of the Fund, directly or indirectly, revert or accrue to the benefit of any contributing Employer or the Union.

Section 4. Notification of Termination. Upon termination of the Fund in accordance with this Article, the Trustees shall forthwith notify the Union and each Employer and also all other necessary parties; and the Trustees shall continue as Trustees for the purpose of winding up the affairs of the Trust.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1. Termination of Individual Employers.

An Employer shall cease to be an Employer within the meaning of this Agreement and Declaration of Trust when he is no longer obligated, pursuant to an Agreement with the Union, to make contributions to this Welfare Fund, or, as determined by the Trustees, when he is delinquent in his contributions or reports to the Welfare Fund.

Section 2. Vested Rights. No Employee or any person claiming by or through such Employee, including his family, dependents, beneficiary and/or legal representative, shall have any right, title or interest in or to the Fund or any property of the Fund or any part thereof except as may be specifically determined by the Trustees.

Section 3. Encumbrance of Benefits. No monies, property or equity, of any nature whatsoever, in the Fund, or policies or benefits or money payable therefrom, shall be subject in any manner by an Employee or person claiming through such Employee to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, garnishment, mortgage, lien or charge, and any attempt to cause the same to be subject thereto shall be null and void.

Section 4. Situs. The State of Tennessee shall be deemed the situs of the Trust Fund created hereunder. All questions pertaining to validity, construction and administration shall be determined in accordance with the laws of such State, or applicable pre-emptive Federal Legislation.

Section 5. Construction of Terms. Wherever any words are used in this Agreement and Declaration of Trust in the masculine gender they shall be construed as though they were also in the feminine or neuter gender in all situations where they would so apply, and wherever any words are used in this Agreement and Declaration of Trust in the singular form they shall be construed as though they were also used in the plural form in all situations where they would so apply, and wherever any words are used in this Agreement and Declaration of Trust in the plural form they shall be construed as though they were also used in the singular form in all situations where they would so apply.

Section 6. Certification of Trustees' Actions. The Chairman and Secretary of the Trustees may execute any certificate or document jointly on behalf of the Trustees and such execution shall be deemed execution by all the Trustees. All persons having dealings with the Fund or with the Trustees shall be fully protected in reliance placed on such duly executed document.

Section 7. Notification of Trustees. The address of each of the Trustees appearing on the signature page of this Agreement and Declaration of Trust shall be furnished to the Secretary-Treasurer. Any change of address shall be effected by written notice to the Trustees.

Section 8. Severability. Should any provision in this Trust Agreement or in the Plan or rules and regulations adopted thereupon or in any collective bargaining agreement be deemed or held to be unlawful or invalid for any reason, such fact shall not adversely affect the provisions herein and therein contained unless such illegality shall make impossible or impractical the functioning of the Trust and the Plan, and in such case the appropriate parties shall immediately adopt a new provision to take the place of the illegal or invalid provision.

Section 9. Liability. No single corporation, sole proprietorship or other entity as an Employer shall be liable in any manner whatsoever for the actions or failure to act of any other Employer.

IN WITNESS HEREOF, the undersigned do hereunto cause this instrument to be duly executed on the 22nd day of MARCH, 1978.

TENNESSEE VALLEY AUTHORITY

BY:

TRUSTEE APPOINTED
BY TVA:

Stanley M. Miller, Jr.

INTERNATIONAL BROTHERHOOD
OF PAINTERS AND ALLIED
TRADES, AFL-CIO

BY:

TRUSTEE APPOINTED
BY INTERNATIONAL

Malcolm P. Haler

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AMENDMENT TO TRUST AGREEMENT

PAINTERS LOCAL UNION NO. 1293 HEALTH FUND

WHEREAS, Article X - Amendment to Trust Agreement, Section 2. Amendment by Trustees, of the Trust Agreement establishing the Tennessee Valley Painters Health and Welfare Fund provides that the Trustees of the Fund may amend the Trust Agreement; and

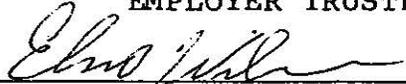
WHEREAS, it is the unanimous desire of the Trustees to amend the Trust Agreement;

NOW, THEREFORE, BE IT RESOLVED that the following amendment is to be made to the Trust Agreement establishing the Tennessee Valley Painters Health and Welfare Fund.

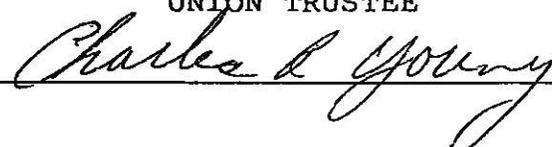
- I. Effective October 17, 1984, the name of the Fund established by the Trust Agreement shall be changed to "Painters Local Union No. 1293 Health Fund" and everywhere appearing "Tennessee Valley Painters Health and Welfare Fund" shall be revised to read "Painters Local Union No. 1293 Health Fund".

IN WITNESS WHEREOF, this instrument has been executed by the parties hereto on this 10th day of DECEMBER, 1984.

EMPLOYER TRUSTEE



UNION TRUSTEE



HLB:plk