

RESOLUTION

REFUND POLICY: OVERPAYMENTS DUE TO MISTAKE

WHEREAS the Principal Agreement by and between the Electrical Contractors' Association of City of Chicago and Local Union No. 134 International Brotherhood of Electrical Workers requires Employers to submit monthly payroll reports to the Electrical Insurance Trustees; and

WHEREAS Employers occasionally remit contributions to the Trustees which appear to be the result of a mistake or which are subsequently claimed to be the result of a mistake; and

WHEREAS federal law does not prohibit the return, to a contributing employer, of contributions to plans administered by the Trustees, within six months after the plan administrator determines that the contributions were made by a mistake of fact or law; and

WHEREAS the Insurance Agreement provides the Trustees with plenary power to make and enforce rules and regulations for the proper collection and handling of the funds administered by the Trustees and the conditions under which benefits shall be provided; it is

RESOLVED to adopt the following Refund Policy with respect to contributions which are the result of a mistake:

1. Fund Office Responsibility:

The Fund Office shall investigate all claims regarding mistaken contributions to confirm whether an Employer remitted excess contributions and, if so, to determine the reason for the excess contributions. If the amount of mistaken contributions is \$1,000 or less, the Collections Supervisor is authorized to verify the correct sum and issue a credit memorandum to the Employer. If the amount is more than \$1,000 but less than \$5,000, the Fund Administrator is authorized to refund that amount to the Employer or to issue a credit memorandum in that amount to the Employer. Overpayments or claims for refunds which involve \$5,000 or more shall be referred to the Board of Trustees or to any committee authorized by the Trustees to rule on such claims.

If the Trustees determine that a contribution was the result of a mistake, the Trustees shall have the discretion to decide whether to refund the contributions or to provide the Employer with a credit which may be used against future contributions. The Trustees' decision shall be final and shall bind all parties to the Insurance Agreement, the contributing Employer, and all individuals claiming benefits under any plan administered by the Trustees.

2. Employer Responsibility

No refund or credit shall be permitted in connection with any payment made to the Trustees unless a claim or demand is presented to the Trustees within one year after the payment is made. All claims for mistaken overpayments must be in writing and directed to the Collections Supervisor. The claim must include an explanation of the mistake and copies of all documents which support the claim. The Employer shall have the burden of establishing that a contribution was the result of a mistake and must provide evidence of a mistake which is satisfactory to the Trustees.

3. Limitations on Refunds:

No contributions shall be returned to an Employer, nor shall an Employer be entitled to a credit or set-off, more than six months after the Fund Administrator determines that the contributions were made by a mistake. No contributions shall be returned to an Employer, nor shall an Employer be entitled to a credit, (1) to the extent that such contributions enabled an individual to qualify for and receive coverage under any health or welfare plan administered by the Trustees; or (2) if the Trustees determine that the contributions were intentional rather than the result of a mistake, or were part of a design or scheme to obtain coverage; or (3) to the extent contributions have been allocated to any individual accounts, even if it is determined that the contributions are the result of a mistake. Employers are not entitled to interest on mistaken contributions.