

EXTENDED TO MAY 15, 2019

OMB No 1545-0047

Form **990****Return of Organization Exempt From Income Tax**Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.**2017**

Open to Public Inspection

A For the 2017 calendar year, or tax year beginning **JUL 1, 2017** and ending **JUN 30, 2018****B** Check if applicable

- ☐ Address change
- ☒ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization**U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF
SAN FRANCISCO, MARIN, SONOMA, MENDOCINO**

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1625 MARKET STREETCity or town, state or province, country, and ZIP or foreign postal code
SAN FRANCISCO, CA 94103**F** Name and address of principal officer **LARRY MAZZOLA, JR.**
SAME AS C ABOVE**D** Employer identification number**94-6398562****E** Telephone number**415-626-2000****G** Gross receipts \$**639,569.****H(a)** Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c)() (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: **N/A****K** Form of organization: ☐ Corporation ☒ Trust ☐ Association ☐ Other**L** Year of formation: **1967****M** State of legal domicile: **CA****(Part I) Summary**

Activities & Governance		Revenue		Expenses		Net Assets or Fund Balances	
Line	Description	Prior Year	Current Year	Prior Year	Current Year	Beginning of Current Year	End of Year
1	Briefly describe the organization's mission or most significant activities PROVIDING SCHOLARSHIPS FOR DEPENDENTS OF ELIGIBLE PARTICIPANTS						
2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets						
3	Number of voting members of the governing body (Part VI, line 1a)	3	11				
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	0				
5	Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5	0				
6	Total number of volunteers (estimate if necessary)	6	0				
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.				
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.				
8	Contributions and grants (Part VIII, line 1h)	0.	0.				
9	Program service revenue (Part VIII, line 2g)	504,950.	639,569.				
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.	0.				
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	0.				
	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	504,950.	639,569.				
12a	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	453,375.	479,250.				
12b	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.				
13	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	21,690.	24,308.				
14a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.				
14b	Total fundraising expenses (Part IX, column (D), line 25)	0.	0.				
15	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	41,318.	41,403.				
16	Total expenses - Add lines 13-17 (must equal Part IX, column (A), line 25)	516,383.	544,961.				
17	Revenue less expenses - Subtract line 18 from line 12	-11,433.	94,608.				
18	Total assets (Part X, line 16)	635,214.	729,822.				
19	Total liabilities (Part X, line 26)	0.	0.				
20	Net assets or fund balances - Subtract line 21 from line 20	635,214.	729,822.				

(Part II) Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date
	LARRY MAZZOLA, JR., CHAIRMAN	4-26-2019
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature
	JESSICA R. ROSTER	Jessica R. Roster
	Firm's name	Firm's EIN
	LINDQUIST LLP	52-2385296
	Firm's address	Phone no.
	5000 EXECUTIVE PARKWAY, SUITE 400 SAN RAMON, CA 94583	925-277-9100

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III ☐

1 Briefly describe the organization's mission

THE FUND WAS ESTABLISHED BY THE TERMS OF A TRUST AGREEMENT FOR THE
PURPOSE OF PROVIDING SCHOLARSHIPS FOR ATTENDANCE IN COLLEGES OR
UNIVERSITIES BY DEPENDENTS OF ELIGIBLE PARTICIPANTS.

2 Did the organization undertake any significant program services during the year which were not listed on the
prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses
Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and
revenue, if any, for each program service reported

4a (Code) (Expenses \$ 482,356. including grants of \$ 479,250.) (Revenue \$ 639,569.)
SCHOLARSHIPS WERE PAID TO 74 DEPENDENTS OF ELIGIBLE PARTICIPANTS.

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 482,356.

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ADDITION

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>		X
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions).		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V ☒

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	0		
1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	0		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?			X
b If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O			
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			X
b If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?			
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?			
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?			X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O			

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒ X

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	11	
1b Enter the number of voting members included in line 1a, above, who are independent.	0	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.	9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13.	12a	X
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done.	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official.	15a	X
b Other officers or key employees of the organization. If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	15b	X
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **CA**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records **MARIA C JACINI - 415-626-2000**
1625 MARKET STREET, SAN FRANCISCO, CA 94103

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons

☒ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

[illegible]

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Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total								0.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								0.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 0

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 0

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Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f					
Program Service Revenue	2 a	EMPLOYER CONTRIBUTIONS	Business Code	900099	639,569.	639,569.	
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		639,569.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)					
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross rents	(i) Real	(ii) Personal			
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)					
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18					
	b	Less direct expenses					
	c	Net income or (loss) from fundraising events					
	9 a	Gross income from gaming activities See Part IV, line 19					
	b	Less direct expenses					
	c	Net income or (loss) from gaming activities					
	10 a	Gross sales of inventory, less returns and allowances					
	b	Less cost of goods sold					
	c	Net income or (loss) from sales of inventory					
Miscellaneous Revenue			Business Code				
11 a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See instructions.			639,569.	639,569.	0.	0.

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

☒ **X**

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22	479,250.	479,250.		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	13,915.	1,825.	12,090.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	5,580.	794.	4,786.	
9 Other employee benefits	3,176.	240.	2,936.	
10 Payroll taxes	1,637.	247.	1,390.	
11 Fees for services (non-employees)				
a Management				
b Legal	501.		501.	
c Accounting	15,289.		15,289.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	7,548.		7,548.	
12 Advertising and promotion	428.		428.	
13 Office expenses	3,712.		3,712.	
14 Information technology	458.		458.	
15 Royalties				
16 Occupancy	1,248.		1,248.	
17 Travel	417.		417.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	483.		483.	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	11,319.		11,319.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a _____				
b _____				
c _____				
d _____				
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	544,961.	482,356.	62,605.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

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Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	543,494.	1	618,977.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	91,720.	4	110,845.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr) Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a		
	b Less accumulated depreciation	10b	10c	
	11 Investments - publicly traded securities		11	
	12 Investments - other securities See Part IV, line 11		12	
	13 Investments - program-related See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 34)		635,214.	16	729,822.
Liabilities	17 Accounts payable and accrued expenses		17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25		0.	26
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	0.	30	0.
	31 Paid-in or capital surplus, or land, building, or equipment fund	0.	31	0.
	32 Retained earnings, endowment, accumulated income, or other funds	635,214.	32	729,822.
33 Total net assets or fund balances	635,214.	33	729,822.	
34 Total liabilities and net assets/fund balances	635,214.	34	729,822.	

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	639,569.
2	Total expenses (must equal Part IX, column (A), line 25)	2	544,961.
3	Revenue less expenses Subtract line 2 from line 1	3	94,608.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	635,214.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	729,822.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☒

1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O	Yes	No
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	X
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	

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Schedule A (Form 990 or 990-EZ) 2017 **SAN FRANCISCO, MARIN, SONOMA, MENDOCINO 94-6398562** Page 2**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2016 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2017. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33 1/3% support test - 2016. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a 10% -facts-and-circumstances test - 2017. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 10% -facts-and-circumstances test - 2016. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2017

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Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	264,975.	382,920.	474,615.	504,950.	639,569.	2267029.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	264,975.	382,920.	474,615.	504,950.	639,569.	2267029.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0.
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year	113,261.	183,799.	261,847.	306,941.	329,762.	1195610.
c Add lines 7a and 7b	113,261.	183,799.	261,847.	306,941.	329,762.	1195610.
8 Public support. (Subtract line 7c from line 6.)						1071419.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
9 Amounts from line 6	264,975.	382,920.	474,615.	504,950.	639,569.	2267029.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	125.					125.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	125.					125.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)	265,100.	382,920.	474,615.	504,950.	639,569.	2267154.

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2017 (line 8, column (f) divided by line 13, column (f))	15	47.26 %
16 Public support percentage from 2016 Schedule A, Part III, line 15	16	47.83 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2017 (line 10c, column (f) divided by line 13, column (f))	17	.01 %
18 Investment income percentage from 2016 Schedule A, Part III, line 17	18	.02 %

19a 33 1/3% support tests - 2017. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☒

b 33 1/3% support tests - 2016. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

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Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer 10b below.		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

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Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
11a		
b A family member of a person described in (a) above?		
11b		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
1		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
2		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		
3		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).

a ☐ The organization satisfied the Activities Test. Complete line 2 below.

b ☐ The organization is the parent of each of its supported organizations. Complete line 3 below.

c ☐ The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).

2 Activities Test. Answer (a) and (b) below.

	Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		
3b		

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Schedule A (Form 990 or 990-EZ) 2017 **SAN FRANCISCO, MARIN, SONOMA, MENDOCINO 94-6398562** Page **6**

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970 (explain in Part VI) See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI)		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	

7 ☐ Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions)

Schedule A (Form 990 or 990-EZ) 2017

U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF

Schedule A (Form 990 or 990-EZ) 2017 **SAN FRANCISCO, MARIN, SONOMA, MENDOCINO** 94-6398562 Page 7

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2017 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2017	(iii) Distributable Amount for 2017
1 Distributable amount for 2017 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2017 (reasonable cause required- explain in Part VI) See instructions			
3 Excess distributions carryover, if any, to 2017			
a			
b From 2013			
c From 2014			
d From 2015			
e From 2016			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2017 distributable amount			
i Carryover from 2012 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2017 from Section D, line 7. \$			
a Applied to underdistributions of prior years			
b Applied to 2017 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2017, if any Subtract lines 3g and 4a from line 2 For result greater than zero, explain in Part VI . See instructions			
6 Remaining underdistributions for 2017 Subtract lines 3h and 4b from line 1 For result greater than zero, explain in Part VI See instructions			
7 Excess distributions carryover to 2018. Add lines 3j and 4c			
8 Breakdown of line 7			
a Excess from 2013			
b Excess from 2014			
c Excess from 2015			
d Excess from 2016			
e Excess from 2017			

Schedule A (Form 990 or 990-EZ) 2017

U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF

Schedule A (Form 990 or 990-EZ) 2017 **SAN FRANCISCO, MARIN, SONOMA, MENDOCINO 94-6398562** Page **8**

Part VI

Supplemental Information. Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, Part III, line 12, Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c, Part IV, Section B, lines 1 and 2, Part IV, Section C, line 1, Part IV, Section D, lines 2 and 3, Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b, Part V, line 1; Part V, Section B, line 1e, Part V, Section D, lines 5, 6, and 8, and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.
(See instructions)

Lined area for supplemental information.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization **U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF
SAN FRANCISCO, MARIN, SONOMA, MENDOCINO**

Employer identification number
94-6398562

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2017

732051 10-09-17

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items

(check all that apply)

a ☐ Public exhibitionb ☐ Scholarly researchc ☐ Preservation for future generationsd ☐ Loan or exchange programse ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes☐ No**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes☐ Nob If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ☐ %b Permanent endowment ☐ %c Temporarily restricted endowment ☐ %

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c)

0.

Schedule D (Form 990) 2017

**U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF
SAN FRANCISCO, MARIN, SONOMA, MENDOCINO**

Schedule D (Form 990) 2017

94-6398562 Page **3**

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ►		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ►		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

Schedule D (Form 990) 2017

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a

1	Total revenue, gains, and other support per audited financial statements		1	639,569.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	639,569.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	639,569.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a

1	Total expenses and losses per audited financial statements		1	544,961.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	544,961.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	544,961.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2:

THE FUND'S ADMINISTRATOR HAS ANALYZED THE TAX POSITIONS TAKEN BY THE PLAN AND HAS CONCLUDED THAT, AS OF JUNE 30, 2018, THERE ARE NO UNCERTAIN POSITIONS TAKEN, OR EXPECTED TO BE TAKEN, THAT WOULD REQUIRE RECOGNITION OF A LIABILITY OR DISCLOSURE IN THE FINANCIAL STATEMENTS. THE PLAN IS SUBJECT TO ROUTINE AUDITS BY THE TAXING JURISDICTIONS; HOWEVER, THERE ARE CURRENTLY NO AUDITS FOR ANY TAX PERIODS IN PROGRESS. THE FUND'S ADMINISTRATOR BELIEVES THE PLAN IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS FOR THE FISCAL YEARS PRIOR TO 2015.

Page 5

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

► **Attach to Form 990.**

▶ Go to www.irs.gov/Form990 for the latest information.

Name of the organization

**U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF
SAN FRANCISCO, MARIN, SONOMA, MENDOCINO**

Employer identification number
94-6398562

Part I	General Information on Grants and Assistance
---------------	---

1	Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?
---	---

☒ Yes

Describe in Part IV the organization's procedure

Part II

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

[illegible]

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2017)

Part III	Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22
-----------------	---

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
SCHOLARSHIPS		74	479 , 250 .	0 .		
Part IV	Supplemental Information: Provide the information required in Part I, line 2; Part III, column (b), and any other additional information.					

SCHOLARSHIPS ARE AWARDED TO DEPENDENTS OF U.A. LOCAL 38 MEMBERS, WHO

HAVE WORKED THE REQUIRED NUMBER OF HOURS FOR CONTRIBUTING EMPLOYERS,
WHO WILL BE OR ARE FULL-TIME STUDENTS AT AN ACCREDITED JUNIOR COLLEGE,
COLLEGE OR UNIVERSITY AND MEET THE SCHOLARSHIP ELIGIBILITY
REQUIREMENTS.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2017

Open to Public
Inspection

Name of the organization

U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF
SAN FRANCISCO, MARIN, SONOMA, MENDOCINO

Employer identification number
94-6398562

FORM 990, PART VI, SECTION A, LINE 4:

THE ORGANIZATION CHANGED ITS NAME TO U.A. LOCAL 38 SCHOLARSHIP TRUST FUND
OF SAN FRANCISCO, MARIN, SONOMA, MENDOCINO AND LAKE COUNTIES. THE RESTATED
MASTER TRUST AGREEMENT REFLECTS THE REVISED NAME AND IS ATTACHED TO FORM
990.

FORM 990, PART VI, SECTION B, LINE 11B:

A COPY OF THE FORM 990 WAS PROVIDED TO THE BOARD OF TRUSTEES FOR REVIEW
PRIOR TO FILING WITH THE IRS.

FORM 990, PART V, LINE 1A

THE JOINT ADMINISTRATIVE OFFICE FILES ONE FORM 1099 ON BEHALF OF ALL
THE ORGANIZATIONS THEY ADMINISTER FOR THE VARIOUS INDEPENDENT
CONTRACTORS. THEREFORE THIS QUESTION HAS BEEN ANSWERED ZERO FOR THIS
ORGANIZATION.

FORM 990, PART VI, SECTION B, LINE 12C:

TRUSTEES ARE REQUIRED TO DISCLOSE INTERESTS THAT COULD GIVE RISE TO
CONFLICTS, ON AN ANNUAL BASIS. IF A PROPOSED TRANSACTION MIGHT CONSTITUTE A
PROHIBITED TRANSACTION, TRUST FUND COUNSEL WILL BE CONSULTED AND ADDITIONAL
ACTION WILL BE TAKEN AS APPROPRIATE TO ENSURE THAT THE PROPOSED TRANSACTION
WILL NOT BE CONDUCTED WITHOUT FUND COUNSEL WRITTEN APPROVAL.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, FINANCIAL
STATEMENTS OR CONFLICT-OF-INTEREST POLICY AVAILABLE TO THE PUBLIC. UPON

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2017)

732211 09-07-17

Name of the organization U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF
SAN FRANCISCO, MARIN, SONOMA, MENDOCINO

Employer identification number
94-6398562

REQUEST, THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, FINANCIAL
INFORMATION, AND CONFLICT-OF-INTEREST POLICY AVAILABLE TO THE PARTICIPANTS.

FORM 990, PART IX, LINE 7

OTHER SALARY AND WAGES ARE BASED ON AN ALLOCATION OF SALARY AND WAGES
PROVIDED BY THE U.A. LOCAL 38 TRUST FUND ADMINISTRATION (JOINT
ADMINISTRATIVE OFFICE) OF SAN FRANCISCO, MARIN, SONOMA AND LAKE
MENDOCINO COUNTIES. FOR PROVIDING SERVICES TO THE TRUST FUND, THE TRUST
FUND REIMBURSES THE JOINT ADMINISTRATIVE OFFICE FOR THESE COSTS. FORMS
W2 AND W3 ARE FILED BY THE JOINT ADMINISTRATIVE OFFICE TO REPORT THE
FULL AMOUNT OF SALARIES AND WAGES WHICH INCLUDED THE PORTION OF SALARY
AND WAGES ALLOCATED TO THE TRUST FUND.

FORM 990, PART XII, LINE 2C

THE ORGANIZATION HAS A BOARD OF TRUSTEES THAT ASSUMES RESPONSIBILITY
FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF
AN INDEPENDENT ACCOUNTANT. THIS PROCESS HAS NOT CHANGED.

Part II. Continuation of Identification of Related Tax-Exempt Organizations

[illegible]

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year

[illegible]

**U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF
SAN FRANCISCO, MARIN, SONOMA, MENDOCINO**

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

j Lease of facilities, equipment, or other assets to related organization(s)

k Lease of facilities, equipment, or other assets from related organization(s)

l Performance of services or membership or fundraising solicitations for related organization(s)

m Performance of services or membership or fundraising solicitations by related organization(s)

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

r Other transfer of cash or property to related organization(s)

s Other transfer of cash or property from related organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII Supplemental Information.

Provide additional information for responses to questions on Schedule R. See instructions.

WHEREAS, Section 10.1 of the existing Trust Agreements permit the Trustors to amend the existing Agreements at any time; and

WHEREAS, the Trustees of the respective Trust Funds now desire to amend and restate in a single master document the existing welfare benefit Trust Agreements to restate the powers, duties, authorities and responsibilities of the Trustees and the nature of benefits to be provided under any Plan of benefits sponsored by the Trust Funds to Employees and their eligible dependents;

NOW, THEREFORE, for and in consideration of the promises and mutual covenants herein contained, it is hereby mutually understood and agreed by the Trustees this 1st day of November, 2017, as follows:

ARTICLE 1 DEFINITIONS

Unless otherwise required by the context, the following definitions shall have the meanings set forth below:

1.1 “Administrator” means the employees of the Trust Fund(s) and/or third-party administrator, engaged to manage the day-to-day operation of the Trust Funds and their respective benefit Plans. A single Administrator may be appointed by one or more Trust Funds. For this purpose the term, “Administrator” shall have a meaning other than the “administrator” as defined by Section 3(16) (A) of ERISA, 29 U.S.C. Section 1002(16)(A).

1.2 “Association” means the Northern California Mechanical Contractors Association.

1.3 “Agreement” or “Trust Agreement” means the terms, representations and promises set forth in this document.

1.4 “Beneficiary” or “Beneficiaries” means a person designated by a Participant or designated by the terms of an employee welfare benefit Plan, established by a Trust Fund, who is or may become entitled to a benefit thereunder.

1.5 “Benefits” means those employee welfare benefit Plan payments or services to which the Participants or Beneficiaries are or may become entitled under the provisions of this Trust Agreement.

1.6 “Board of Trustees” or “Board” means the individuals then acting collectively as the Board of Trustees for a Trust Fund under this Agreement, which shall also be the “named fiduciary” (as defined by Section 402(a)(2) of ERISA, 29 U.S.C. Section 1102(a)(2)) and the “Administrator” (as defined by Section 3(16)(A) of ERISA, 29 U.S.C. Section 1002(16)(A)) of each Plan sponsored by a Trust Fund, appointed to control and manage the operation and overall administration of the Trust Funds and their Plans.

1.7 “Collective Bargaining Agreement” means the Master Agreement(s) between an Employer and the Union, together with any amendment, extension or renewal of such contract,

which (1) is in force and effect; (2) requires an Employer to make contributions to the Trust Funds on behalf of its Employees; and (3) is acceptable to the Board of Trustees in accordance with any requirements, standards, rules and regulations adopted by the Board. Any such Collective Bargaining Agreement ("CBA") shall be deemed to incorporate specifically the terms and conditions of this Trust Agreement and the Plan(s) in which the Agreement provides for participation. By executing the Collective Bargaining Agreement, the Union and each Employer that is a party to the Collective Bargaining Agreement thereby agree to comply with and be bound by each and every term of the Trust Agreement and of such Plan(s) (as such Plan documents may from time to time be amended by the Trustees). As the context requires, the term "Collective Bargaining Agreement" also refers to any participation or adoption agreement or similar document, which requires contributions to the Trust Funds.

1.8 "Covered Employee" means an Employee who has worked the hours required to establish eligibility for benefits under a Collective Bargaining Agreement and for whom the Employer has made the contributions required by the Agreement. The term "Covered Employee" shall further include retired Employees who satisfy the eligibility rules of any welfare Plan covering retirees established hereunder.

1.9 "Dependent" means a spouse, child or domestic partner of a Covered Employee who meets the requirements for Dependent coverage as defined by the Plan in which the Covered Employee participates.

1.10 "Employee" means a person employed under the terms of a Collective Bargaining Agreement between the Union and an Employer for whom contributions are required to be made pursuant to that Agreement. The term "Employee" shall further include retired employees who satisfy the eligibility rules of any Plan covering retirees established hereunder. The term "Employee" shall not include a sole proprietor or a partner of a partnership; provided, however, that this sentence shall not exclude a shareholder of a corporation that is an Employer and is duly organized and operated under the laws of a State of the United States of America who is employed by that corporation to render services pursuant to a Collective Bargaining Agreement.

1.11 "Employer" means a firm, company, corporation or other signatory party to a Collective Bargaining Agreement under which payments are to be made to the Trust Fund to provide benefits for Employees, and which has been accepted for participation by the Trust Fund's Board of Trustees through acceptance of the Employer's fully executed Subscriber Agreement (or by such other means as the Board of Trustees, in its sole discretion, may allow). By so contributing to the Trust Funds pursuant to any of such agreements, the Employer agrees to be bound by the terms of this Agreement, as may from time to time be amended. Employers shall not include unincorporated self-employed persons or sole proprietorships with no employees other than the sole proprietor.

1.12 "Employer Trustees" means those Trustees appointed by the Association.

1.13 "ERISA" means the Employee Retirement Income Security Act of 1974, as from time to time amended, and all rules and regulations promulgated pursuant thereto.

1.14 "Fiduciary" means the Trustees, and all persons appointed by them or engaged by them who exercise any authority or control over Plan assets, exercise any discretionary authority or discretionary control respecting the management or disposition of the Trust Funds, render any investment advice for a fee or other compensation, or exercise any discretionary authority or responsibility for Plan administration.

1.15 "Participant" means any person currently eligible to receive Benefits under a Plan.

1.16 "Party in Interest" means Employers of Participants, persons rendering services to a Trust Fund or Plan, the Union and its officers and agents, officers, Fiduciaries and Employees of a Trust Fund or Plan, and relatives, agents, as well as joint ventures, of any of the foregoing. This definition is in general terms and interpretation of the term "party in interest" is meant to comply with that provided in Section 3(14) of ERISA, 29 U.S.C. Section 1002(14) and the Secretary of the Department of Labor's rulings or regulations thereunder.

1.17 "Plan" or "Plans" means the rules and regulations setting forth the program or programs benefits for Participants and Beneficiaries and any amendments or modifications thereto adopted by a Board of Trustees, in its sole discretion, from time to time. Said Plan(s) shall be funded by the Trust Funds adopting the Plan(s).

1.18 "Subscriber Agreement" means a written agreement by which an Employer affirms its obligation to make contributions to a Trust Fund and the Employer and Union agree to be bound by the terms and conditions of this Trust Agreement.

1.19 "Trust Fund" means one of the separate trusts sponsored by the Employers and the Union, authorized to receive Employer Contributions for the benefit of Plan Beneficiaries under this Trust Agreement, including the monies, investments and other assets held for distribution pursuant to the terms of this Trust Agreement.

1.20 "Trustees" means collectively the individual Employer and Union trustees of a Trust Fund as of its adoption date and their successors.

1.21 "Union" means Local Union 38 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada.

1.22 "Union Trustees" means those Trustees appointed by the Union.

ARTICLE 2 NAME, PURPOSE AND OPERATION OF TRUSTS

2.1 Health & Welfare Trust Fund. The Health & Welfare Trust Fund shall be known as the U.A. Local 38 Health & Welfare Trust Fund of San Francisco, Marin, Sonoma, Mendocino and Lake Counties. The purpose of this Trust Fund shall be to provide health and welfare benefits in accordance with the provisions of the controlling Collective Bargaining Agreement and any amendments thereto and plans, which benefits shall include hospitalization and medical benefits, a dental plan, a vision care plan, a prescription drug plan and any other benefit plan that may be agreed upon by the parties. It is intended that the Health & Welfare

Trust Fund shall be established and operated in a manner that shall qualify it as an organization exempt from income taxation under Section 501(a) of the Internal Revenue Code.

2.2 Apprentice & Supplemental Training Trust Fund. The Apprentice and Supplemental Trust Fund shall be known as the U.A. Local 38 Apprenticeship and Supplemental Training Trust Fund of San Francisco, Marin, Sonoma, Mendocino and Lake Counties. The purpose of this Trust Fund shall be to provide in accordance with the Collective Bargaining Agreement a program for the education of apprentices and the education of journeymen in the plumbing and pipefitting industries and to provide special education programs which shall include seminars on developments within the plumbing and pipefitting industry. It is intended that the Apprentice and Supplemental Trust Fund shall be established and operated in a manner that shall qualify it as an organization exempt from income taxation under Section 501(a) of the Internal Revenue Code.

2.3 Holiday and Vacation Trust Fund. The Holiday and Vacation Trust Fund shall be known as the U.A. Local 38 Holiday and Vacation Trust Fund of San Francisco, Marin, Sonoma, Mendocino and Lake Counties. The purpose of this Trust Fund shall be to provide vacation and holiday benefits in accordance with the provisions of the controlling Collective Bargaining Agreement and any amendments thereto. It is intended that the Holiday and Vacation Trust Fund shall be established and operated in a manner that shall qualify it as an organization exempt from income taxation under Section 501(a) of the Internal Revenue Code.

2.4 Group Supplemental Unemployment Benefits Trust Fund. The Group Supplemental Unemployment Benefits Trust Fund shall be known as the U.A. Local 38 Group Supplemental Unemployment Benefits Trust Fund of San Francisco, Marin, Sonoma, Mendocino and Lake Counties. The purpose of this Trust Fund is to supplement the California State Unemployment Insurance Benefits Participants receive when they are unable to work, in accordance with the provisions of the controlling Collective Bargaining Agreement and any amendments thereto. It is intended that the Group Supplemental Unemployment Benefits Trust Fund shall be established and operated in a manner that shall qualify it as an organization exempt from income taxation under Section 501(a) of the Internal Revenue Code.

2.5 Scholarship Trust Fund. The Scholarship Trust Fund shall be known as the U.A. Local 38 Scholarship Trust Fund of San Francisco, Marin, Sonoma, Mendocino and Lake Counties. The purpose of this Trust Fund shall be to collect, preserve and invest the monies paid to the Trust Fund for the purpose of providing, in accordance with the Collective Bargaining Agreement, scholarships for attendance in colleges or universities by the sons and daughters of all persons employed as a Plumber or Pipefitter under the terms of the Collective Bargaining Agreement. It is intended that the Scholarship Trust Fund shall be established and operated in a manner that shall qualify it as an organization exempt from income taxation under Section 501(a) of the Internal Revenue Code.

2.6 Legal Status of Trust Funds. Each Trust Fund shall be a separate and distinct legal entity and no Board of Trustees shall be responsible for the actions or omissions of any other Board of Trustees. Except as otherwise explicitly stated herein, the mere fact and existence of a master Trust Agreement shall not be construed to create any relationship between and among the several Trust Funds. An interpretation or application of this Trust Agreement by the

Board of Trustees of one Trust Fund shall not be binding on any other Trust Fund. It shall not be a violation of this Agreement for two or more Trust Funds to have common Trustees.

2.7 Operation.

(a) This Trust Agreement shall be binding upon the Employers and the Union, and their successors, agents, administrators, trustees, representatives and assigns.

(b) Contributions to a Trust Fund may not be diverted to any purpose other than as set forth herein, nor will any assets of a Trust Fund revert to any Employer. No benefits under any program authorized by this Trust Agreement may be paid until such benefits are due in accordance with the terms and conditions of such program as provided by the Board of Trustees of a Trust Fund. Assets of each Trust Fund will be used for the exclusive purpose of providing benefits to Participants in the Plan or Plans administered by that specific Trust Fund, or to defray the cost of administering that specific Trust Fund.

(c) It is intended that the Trust Funds shall be established and operated in a manner that complies with the Internal Revenue Code. To the extent that anything contained herein is inconsistent with the Internal Revenue Code, this Agreement shall be deemed amended in such fashion as will implement the purposes of the Trust Fund while continuing to comply with the requirements of the Code.

(d) It is intended that the Trust Funds shall be established and operated in a manner that complies with ERISA. To the extent that anything contained herein is inconsistent with ERISA, this Agreement shall be deemed amended in such fashion as will implement the purpose of the Trust Funds while continuing to comply with the requirements of ERISA.

(e) It is intended that the Trust Funds shall be established and operated as "jointly-administered" funds within the meaning of, and in accordance with, Section 302(c) of the Labor Management Relations Act of 1947, as amended. To the extent that anything contained herein is inconsistent with said Act, this Agreement shall be deemed amended in such fashion as will implement the purpose of the Trust Funds while continuing to comply with the requirements of said Act.

**ARTICLE 3
EMPLOYER PARTICIPATION AND OBLIGATIONS**

3.1 Participation by Employers. An Employer, that otherwise satisfies any requirements, standards, rules and regulations for the participation of Employers, as each Trust Fund's respective Board of Trustees may in its discretion deem proper and necessary for the sound and efficient administration of the Trust Fund, may participate in the Trust Fund by executing a Collective Bargaining Agreement that designates: (i) a date on which such participation shall become effective; (ii) the categories of employment and its Employees for participation in the Plans; and (iii) a rate of contribution to the Trust Fund.

3.2 Obligations of Employers. By executing or complying with the terms of a Collective Bargaining Agreement or Subscriber Agreement, or by making contributions to a

Trust Fund on behalf of Employees, each Employer shall be deemed (without any further action) to have:

(a) reviewed, understood, adopted and agreed to all provisions of this Trust Agreement, and any amendments hereto, which documents shall be deemed to have been incorporated by reference into such Collective Bargaining Agreement;

(b) granted power of attorney to the Employer Trustees of such Trust Funds for purposes of all aspects of administration of the Trust Fund, including, but not limited to, amendment and interpretation of this Agreement and any Plans adopted hereunder;

(c) agreed to comply with and be bound unconditionally to the terms of such Trust Funds established pursuant to this Agreement and, further agree to comply with and be bound to any amendments thereto, or amendments made to the Plan(s) for which the Employer is contributing to the Trust Funds, and, further agrees to comply and to be bound by all of the decisions of the respective Boards of Trustees.

3.3 Audits.

(a) Each Board of Trustees shall maintain suitable and adequate records of and for the administration of the respective Trust Funds. The Boards may require any Employer, Employee, Dependent or Union to submit to it any information, data, reports or documents reasonably relevant to and suitable for the purposes of such administration. Such parties will use their best efforts to secure compliance with any reasonable request of a Board of Trustees for any such information, data, reports or documents. Upon receipt of a request in writing from the Board of Trustees, Employers shall permit an accountant selected by the Board to enter upon the premises of such Employer during business hours at a reasonable time or times, and to examine and copy such books, records, papers, or reports of such Employer as the Board may deem necessary in its sole discretion, to determine whether the Employer is making full and prompt payment of all sums it is required to pay to the Trust Funds.

(b) If an Employer refuses a Board of Trustees' request to perform a payroll compliance test, the Employer shall be considered in breach of this Agreement. Attorney fees may be assessed if the refusal is referred to legal counsel to enforce this Section 3.3, even if no formal legal action is initiated. The Employer shall reimburse the Trust Funds \$500.00 for each letter legal counsel is required to send to enforce this Section 3.3. If any legal action is instituted by the Trust Funds for collection of the delinquent contributions, the Employer shall pay all court costs, interest, and reasonable attorney fees.

(c) In the event that an Employer payroll compliance test is performed outside of the State of California, the Employer shall pay costs incurred by the auditor engaged by a Trust Fund for transportation, meals and lodging in connection with the audit.

(d) In the event an audit pursuant to this Section determines that an Employer's total aggregate underpayments or overpayments to the Trust Funds exceed \$3,000.00 or five (5) percent of the total required contributions for the period audited, whichever is greater, the Employer shall be responsible for the full cost of the compliance test (in addition to the

underpayments, interest and liquidated damages attributable thereto) including attorney fees, if applicable, incurred for purposes of enforcement of this provision.

(e) The Boards of Trustees of the Trust Funds may delegate their audit duties to one of the separate Trust Funds, which shall conduct a single audit on behalf of all Trust Funds.

ARTICLE 4 TRUSTEES

4.1 Composition and Appointment of Trustees. The administration of each Trust Fund shall be vested in a Board of Trustees which shall consist of equal numbers of Employer and Union representatives. The Trustees shall serve without compensation and shall be selected, replaced and removed as follows:

(a) Appointment to Trust Funds. The Northern California Mechanical Contractors Association ("Association") shall appoint six Trustees and the Union shall appoint six Trustees to each Trust Fund. Such appointments shall be certified in writing by the Secretaries of the Association or the Union, and deposited in the office of the Board of Trustees. Any Trustee so appointed, and any successor, may qualify by executing and delivering to the Association, to the Union and to the office of the Board of Trustees, an instrument accepting such appointment and agreeing to be bound by the terms of this Trust Agreement. Upon the deliverance of his acceptance, the Trustee shall become vested with all of the rights, powers and discretion and shall assume all of the duties and obligations of a Trustee as set forth in this Trust Agreement and by law. Each Trustee shall continue to serve as such until his or her death, incapacity, resignation or removal as herein provided.

(b) Scholarship Trust Fund Selection Committee. The Board of Trustees of the Scholarship Trust Fund shall appoint a selection committee of three persons; one of which shall be from an academic institution. No Employer or representative of the Union will participate in the selection process or be present at the meetings at which the selection of the award recipients are effected. The recommendations of the selection committee to the Trustees shall be final. The Selection Committee shall be reimbursed for any out-of-pocket costs not to exceed \$250.00 each to offset the cost of meetings, meals, and other incidental expenses.

(c) Resignation or Removal. A Trustee may resign at any time by giving written notice of his resignation to the Association and to the Union. Any such resignation shall take effect not less than thirty (30) days after its delivery or at any later time specified in the notice; and, unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective. A Trustee may be removed from his office at any time for any reason and without notice by the party appointing him. Written notice of the removal of a Trustee shall be certified in writing by the Secretary of the Association or Union involved and deposited in the office of the Board of Trustees.

(d) Vacancies and Inability to Act. If a vacancy occurs for any reason, a successor Trustee shall be designated by the party originally appointing the particular Trustee, in the manner prescribed for under regular appointments. In the event of death, resignation, refusal

or inability to act on the part of any one or more of the Trustees, the remaining Trustees shall have all the powers, rights and interests of this Trust and shall be charged with his duties, provided that at least one Employer Trustee and one Union Trustee shall be required to act in any case.

4.2 Acceptance of Trust and Trusteeship. The Trustees appointed hereunder hereby accept the respective Trusts created and established by this Trust Agreement and consent to act as Trustees thereof by assuming the responsibility for the operation and administration of the respective Trust Funds. By their signature to this Agreement (or any counterpart or copy hereof) each Trustee hereby agrees to accept the trusteeship and to act in their capacities as Trustees and Fiduciaries of the respective Trust Funds in accordance with the provisions of this Trust Agreement.

4.3 Expenses. Trustees shall be reimbursed by a Trust Fund for all reasonable and necessary expenses actually incurred in connection with the operation of the Trust Fund and its Plans and in the performance of their duties as Trustees.

4.4 Chairpersons. The Trustees shall, at intervals to be determined by the Board of Trustees, elect from their membership a Chairperson and Co-Chairperson, provided that one of such office holders shall be a Union Trustee and one shall be an Employer Trustee.

4.5 Meetings and Decisions of the Board of Trustees. The Trustees shall determine the time and place for regular periodic meetings which shall be held not less than once every six months. A quorum of a Board of Trustees necessary for the transaction of business shall consist of at least two Employer Trustees and two Union Trustees. In the determination of all matters coming before the Board of Trustees for consideration, each Trustee shall have one vote. However, if an unequal number of Employer or Union Trustees are present, the Employer or Union Trustees present shall assume a proportional share of the absent Trustee's vote: the intent of this Agreement is that the number of votes of the Employer and Union Trustees remain equal at all times. For the purposes of quorum and voting, a Trustee is considered to be present and attending a meeting when connected by telephone or video conference.

4.6 Deadlock and Arbitration.

(a) Should the Trustees reach a deadlock on any matter subject to their determination, they shall select a neutral person to act as an impartial umpire to decide the controversy.

(b) The Trustees may submit the matter of the dispute, in writing, to the impartial umpire within 48 hours after his or her appointment. If the Trustees cannot jointly agree upon the statement submitting the matter to arbitration, both the Employer Trustees and the Union Trustees may prepare and forward in writing their version of the dispute and the question or questions involved.

(c) All arbitration hearings shall take place in San Francisco, California unless otherwise agreed upon.

(d) The failure of any Trustee or Trustees to attend the arbitration hearing as scheduled and noticed by the arbitrator shall not delay the arbitration, and the umpire is authorized to proceed to take evidence and issue his or her decision as though such Trustee or Trustees were present.

(e) The decision of said umpire shall be final, binding and conclusive upon the Trustees and all persons concerned.

(f) All reasonable fees and expenses of preparing for and conducting the arbitration (including, but not limited to, the fees of the American Arbitration Association ("AAA"), legal counsel, expert witnesses and the umpire) shall be paid by the Trust Fund.

4.7 Claims Procedures.

(a) Application of Claims Procedures. No dispute or question arising under this Trust Agreement or a Plan shall be subject to the grievance or arbitration procedure in the Collective Bargaining Agreement. Each Trust Fund may adopt written claims and appeals procedures for the resolution of such disputes or questions, which shall be distributed to Participants and Beneficiaries. These claims procedures shall apply only if a Trust Fund does not adopt procedures specific to the Plan(s) it sponsors.

(b) Trustee Authority. If any dispute or question arises concerning the Participants or Beneficiaries to whom any benefits should be paid, to whom any other payments should be made, or to whom any other assets of the trust should be delivered, the Trustees, or any of them, may withhold such action until the dispute or question is determined under the appropriate provisions of the Plan and/or Trust Agreement.

(c) Claim Denials. Any Participant or Beneficiary whose written claim for benefits under the Plan has been denied, shall receive a written notice setting forth in language calculated to be understood by the recipient the following:

- (1) The specific reason or reasons for the denial;
- (2) Specific reference to the provisions of the Trust Agreement and or Plan on which the denial is based;
- (3) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;
- (4) An explanation of the applicable claim review procedure and the time; and
- (5) Limits (60 days) applicable to such procedures, including, where applicable, a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA, 29 U.S.C. Section 1132(a) following the denial of an appeal.

(d) Appeal of Claim Denial. Within sixty (60) days from the receipt of written denial the Participant or Beneficiary may request a full and fair review by the Board of Trustees.

(1) Such a review shall allow the Participant or Beneficiary to submit written issues and comments, documents, records and other information pertaining to the claim for benefits and to present evidence supporting or opposing the denial of benefits. The Participant or Beneficiary shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits. The review shall take into account all comments, documents, records and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

(2) If the Trust Fund holds regularly scheduled meetings at least quarterly, the Trustees shall make a determination on the appeal no later than the date of the meeting of the Board immediately following the Trust Fund's receipt of the appeal unless the appeal is filed within thirty (30) days preceding the date of such meeting, in which case a decision may be made by no later than the date of the second meeting following the Trust Fund's receipt of the appeal; provided, however, that if special circumstances require additional time for processing, a decision must be rendered no later than the third meeting following the Trust Fund's receipt of the appeal. If the Trust Fund does not hold quarterly meetings, a decision on the appeal shall be reached within sixty (60) days after receipt of the appeal unless special circumstances require an extension of time, which shall not exceed sixty (60) days from the end of the initial period. These periods shall be tolled from the date notification of an extension is sent to a Participant or Beneficiary until the date the Trust Fund receives the claimant's response to the request for additional information.

(3) The Board of Trustees shall notify the individual Participant or Beneficiary, in writing, whether the claim has been allowed or denied. If the claim for benefits is still denied, the written notice shall include:

- (a) Specific reasons for the continued denial;
- (b) Specific references to the Plan or Trust Agreement provisions involved;
- (c) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits;
- (d) The statement "You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency." (Inclusion of this statement shall not imply that the Trust Fund is required to offer alternative dispute resolution options, but shall be made to comply with ERISA, where applicable.); and

(e) The statement "If you disagree with the Board of Trustees' decision, you also have the right to file a claim in federal district court under section 502(a) of ERISA."

ARTICLE 5 POWERS OF THE BOARD OF TRUSTEES

5.1 General Powers. The powers granted to Trustees in this Article 5:

- (a) Are in addition to and not in limitation of all powers granted to the Trustees by common law, statute or other provisions of the Trust Agreement;
- (b) Are exercisable by the Trustees of a Trust Fund;
- (c) Are exercisable from time to time, and are not powers to be considered exhausted by its exercise on one or more occasions; and
- (d) Are exercisable in the sole discretion of the Trustees.

5.2 Enumerated Powers. Unless specifically limited by this Trust Agreement or by law, the Board of Trustees shall have the power to administer a Trust Fund and to do all acts it considers to be in the best interest of a Trust Fund or of any Participant or Beneficiary. Trustees shall discharge their duties with the care, prudence and diligence that a prudent man familiar with such matters and acting in a like capacity and under similar circumstances would use in the conduct of a similar business. The Trustees' authority shall encompass, but not be limited to, the following powers:

(a) To receive and hold all sums of money payable to a Trust Fund, and use such money for the sole purpose of providing benefits for Employees by a Plan or Plans to be adopted by the Trustees of the Trust Fund and for paying the expenses of administering the Plan(s) and Trust Fund. The Board of Trustees shall have full power to administer a Trust Fund for such purpose. Funds and credits attributable to each Plan sponsored by a Trust Fund may, in the discretion of the Trustees, be kept in a separate account from other such Plans, or allocated to or aggregated with funds and credits of other such Plans sponsored by that Trust Fund for any or all purposes. Assets of each Trust Fund will be used for the exclusive purpose of providing benefits to Participants in the Plan or Plans administered by that specific Trust Fund, or to defray the cost of administering that specific Trust Fund.

(b) To make deposits in the name of the Trustees for a Trust Fund in such bank, banks or savings and loans doing business in the State of California as the Trustees may select in accounts which bear a reasonable interest rate. Withdrawal from a Trust Fund of over \$5,000.00 may be made only on the signature of two Trustees, provided that one such signature shall be by a Union Trustee and the other such signature shall be by an Employer Trustee.

(c) To invest and reinvest (or encumber) such portion of a Trust Fund as is not required for current expenditures and charges in accordance with an investment policy established by the Trustees in writing from time to time, as permitted by ERISA, and deemed appropriate for comparable funds. Investments must be diversified in order to minimize the risk

of large losses, unless under the circumstances it is clearly not prudent to do so. All income from such accounts and investments shall be set aside for the exclusive purpose of the Trust Fund.

(d) To enter into loan, subordination and/or guarantee agreements which, in the business judgment of the Trustees, are desirable to protect or enhance any investment in which a Trust Fund holds an interest.

(e) To establish and implement a funding policy with regard to Plans and create, accumulate and maintain as part of a Trust Fund such margins or reserves as the Board determines to be prudent or desirable in connection with the sound and efficient administration of such Plans and the Trust Fund.

(f) To procure a policy or policies of insurance for the provision of benefits for Participants and Beneficiaries as authorized and permitted by the Insurance Code of the State of California and regulations under ERISA, and/or to establish a Plan for direct payment of such benefits from the Trust Fund to Participants and Beneficiaries, and to do any and all acts and things necessary or advisable to effectuate any such Plan.

(g) To self-administer a Trust Fund and its Plans or to retain a third-party administrator for purposes of Trust Fund and Plan administration and to provide all facilities, rules and regulations, audits, personnel and services deemed necessary or advisable for such purpose. The Trustees may delegate any of their ministerial powers or duties to any agents, representatives or employees of the Trust, including, but not limited to, said Administrator.

(h) To retain attorneys, investment advisors, accountants, actuaries, appraisers, banks, brokers, collection agents, consultants, custodians, insurance brokers and any other persons or entities in connection with the operation, management or administration of a Trust Fund, and pay, as expenses of the Trust Fund, any of their necessary and reasonable fees. All such engagements shall be pursuant to a written contract between the advisor and Trustees, which contract shall clearly set forth the responsibilities delegated to and accepted by the advisor.

(i) To designate a representative of a Trust Fund to accept legal process on behalf of the Trust Fund.

(j) To file with local, state and federal agencies all reports required by law.

(k) To delegate to other Fiduciaries (including, without limitation, the Chairman and Co-Chairman of the Board of Trustees or any duly designated committees of the Board of Trustees) the responsibilities or duties involved in the operation and administration of a Plan (other than Trustee responsibilities or duties, as defined in Section 405(c)(3) of ERISA, 29 U.S.C. Section 1105(c)(3)) and to allocate their responsibilities or duties with respect to the management and control of Trust Fund assets; provided, however, that the remaining Trustees shall not be liable for any losses resulting from the acts or omissions of those Trustees who have accepted the allocation of such fiduciary responsibilities (except as may otherwise be required by ERISA).

(l) To delegate to a state or national banking association, as Fiduciary, the duty of managing the funds and assets of a Trust Fund, including the duties of collection and payment, investments and reinvestments, and the execution of contracts with insurance companies, in such manner and to the extent considered desirable by the Trustees and permitted under the terms of this Trust Agreement and under applicable law.

(m) To maintain records which will provide in sufficient detail the basic information and data necessary to verify, explain, clarify, or check for accuracy, and reports required by local, state or federal agencies, for periods of not less than six years after the filing date of such reports, or six years after the date on which such reports would have been filed but for an exemption under applicable law.

(n) To pay or cause to be paid from a Trust Fund any and all expenses necessarily incurred in connection with the establishment or administration of the Trust Fund and any of its Plans.

(o) To pay any amounts which the Employers had a legal duty to withhold from the contributions to a Trust Fund to pay federal or state taxes or contributions payable by the Employees, in order that the Employer may pay such amounts to the proper federal or state officer or agency.

(p) To maintain any and all actions or legal proceedings necessary for the protection of a Trust Fund, a Plan, or the Trustees and for the procurement of the benefits contemplated hereby. A Board of Trustees may, in its discretion, accept, compromise, compound, submit to arbitration or settle any debt, claim or obligation involving the Trust Fund; enforce or abstain from enforcing any right, claim, debt or obligation; and reduce or increase the rate of interest on extension, or otherwise modify, foreclose upon default, or enforce any such obligation. Costs and expenses of any action, including counsel fees, brought by or against the Trustees or any of them, except as may be provided by law or this Agreement shall be paid from the Trust Fund.

(q) To enforce the payment of contributions to a Trust Fund by Employers under the terms of the Collective Bargaining Agreement, by legal action in the names of the Trustees or by any other means they consider appropriate.

(r) To enter into agreements with other benefit plans and trusts providing for the reciprocity of contributions and/or eligibility credit as between a Plan and such other plans and trusts, or to merge a Trust Fund and Plans with other employee benefit funds and plans (provided that the Trustees determine that such merger is prudent.)

(s) To appoint an investment manager or managers (as defined by ERISA) to manage (including the power to acquire and dispose of) assets of a Trust Fund. Investment of Trust Fund assets may be by segregated funds under different investment managers.

(t) With respect to the Apprentice Trust Fund, to confer on matters concerning Trust Fund and Plan administration with the Joint Apprenticeship Coordinating Committee appointed pursuant to the Collective Bargaining Agreement, and to act, at the option

of the Trustees, upon the written instructions of the Committee with respect to Trust Fund and Plan administration.

(u) To perform all acts (whether or not expressly authorized herein) which a Board of Trustees may deem necessary and prudent administration of a Trust Fund or the purposes for which it was established. The authorities vested in the Trustees pursuant to this article, or exercised with respect to any other matter in the conduct of Trust Fund business, shall be carried out in accordance with the standard of care provided in ERISA.

5.3 Discretionary Authority.

(a) A Board of Trustees shall have the exclusive right, power and authority, in its sole and absolute discretion, to administer, apply and interpret this Agreement, the Plans and any other Plan or Trust Fund documents and to decide all matters arising in connection with the operation or administration of the Plans or the Trust Fund and the investment of Trust Fund assets.

(b) Without limiting the generality of the foregoing, a Board of Trustees (or any committee duly authorized by the Board of Trustees) shall have the sole and absolute discretionary authority to:

(1) take all actions and make all decisions with respect to the eligibility for, and the amount of, benefits payable under the Plans to Participants;

(2) formulate, interpret and apply rules, regulations and policies necessary to administer this Agreement, the Plans or other Plan documents in accordance with their terms and apply the provisions of a Collective Bargaining Agreement;

(3) decide questions, including legal or factual questions, relating to the calculation and payment of benefits under the Plans or other Plan documents;

(4) resolve and/or clarify any ambiguities, inconsistencies and omissions arising under this Agreement, the Plans or other Plan document;

(5) process, and approve or deny, benefit claims and appeals and rule on any benefit exclusions; and

(6) decide if benefits under any of the Trust Funds shall be paid, and only if the Board of Trustees, or its delegee, decides in his or her discretion that the applicant is entitled to them.

(c) All determinations made by a Board of Trustees (or any committee duly authorized by the Board of Trustees) shall be final and binding on all parties affected thereby, including, but not limited to Employees, Participants, Beneficiaries, Employers and the Union participating in a Trust Fund and its Plans.

(d) The Trustees shall be deemed to have properly exercised their authority as described herein unless they have abused their discretion by acting arbitrarily or capriciously. In

administration of a Trust Fund and Plans, the Trustees shall at all times discharge their duties in accordance with the standards set forth in Section 404(a)(1) of ERISA, 29 U.S.C. Section 1104(a)(1).

5.4 Execution of Documents. Except as otherwise provided in Section 5.2(b), the signature of the Chairperson solely, or of the Chairperson and Co-Chairperson jointly, shall be sufficient and shall evidence the action of the entire Board of Trustees.

5.5 Indemnification. Except as may otherwise be required by ERISA or other applicable law:

(a) The Trustees shall be free to act upon any paper or document reasonably believed to be genuine and purporting to be made, executed, or delivered by the party in whose name it purports to be, and shall be indemnified and held harmless by a Trust Fund for any liability arising from such actions.

(b) The Trustees shall not be personally answerable for any liabilities or debts of a Plan or Trust Fund incurred by them as Trustees, but said debts and liabilities shall be paid out of a Trust Fund.

(c) Subject to ERISA, no Trustee shall be personally liable for any error of judgment or for any claims arising out of any act or omission of such Trustee or for any acts or omissions of any other Trustee, or any agent appointed by or acting for the Trustees, except as provided in paragraph (f) below.

(d) Neither the Trustees nor any individual or successor Trustee shall be personally responsible for any liability or debt of a Trust Fund contracted by them as Trustees, or for the nonfulfillment of contracts, subject to the provisions herein which prescribe the standard of care applicable to Trustee action and except as provided in paragraph (f) below. Nothing in this Trust Agreement or in any Plan or contract entered into hereunder shall be construed to broaden the personal liability of any Trustee or any other person in the position of a Fiduciary under a Trust Fund beyond the scope of liability applicable to Fiduciaries as provided in ERISA.

(e) The Trustees may consult legal counsel concerning any question which may arise with reference to their duties or powers, or with reference to any other matter pertaining to this Trust Agreement, or to the Trust Fund hereby established. The opinion of such legal counsel shall be considered full and complete authorization and protection with respect to any action taken or omitted by the Trustees in good faith in accordance with the opinion of such counsel, subject to the applicable standard of care in the exercise of judgment as set forth in ERISA.

(f) In addition to provisions concerning Trustees, personal liability set forth elsewhere in this Section or this Trust Agreement, and to the extent not covered by insurance and permitted by ERISA and other applicable law, the Trustees and each of them shall have no liability for any act or omission to act of any kind done, made or suffered by the Trustees, or any of them, in the course and scope of their duties as herein described, except any liability resulting from breaches by said Trustees of the fiduciary duties owed by them in accordance with applicable law. A Trust Fund shall exonerate, reimburse, indemnify and save harmless each

Trustee individually, and the Trustees collectively, to the extent permitted by applicable law, against any and all liabilities, damages, taxes, judgments, debts, assessments, penalties, losses, expenses, costs and claims, including without limitation, reasonable attorney's fees, court costs; actuarial and related consulting costs; accounting and auditing costs; investment management, trustee and custodian costs; insurance premiums and related costs; and other professional fees (collectively, "Claims") arising out of their trusteeship or which may be authorized by the Trustees, and the Trustees, individually and collectively, shall be further indemnified and reimbursed from the Trust Fund, to the extent permitted by applicable law, for the cost and expense, including attorney's fees, of defending any suit or proceeding brought against the Trustees, individually or collectively, or the Trust Fund. In this connection, the Trustees shall be privileged to select and employ legal counsel to defend them, or represent them in the proceeding. If a Trustee is found liable for any Claims by the final determination of a court of competent jurisdiction for breach of the fiduciary duties owed by him in accordance with applicable law, he shall be obligated to reimburse the Trust Fund for any sums (plus appropriate interest, as determined by the remaining Trustees) expended on his behalf pursuant to the preceding sentence. The Trustees shall not be liable for any act or omission of any agent or Employee of the Trustees selected with reasonable care, except as provided by applicable law. The Trustees shall not be liable to a Union, an Employer or any Employee or any other person for any action done, made or suffered by them, or omitted by them in good faith, except as otherwise provided by applicable law. The Trustees agree to exhaust efforts to obtain reimbursement of Claims from any available insurance coverage and assign to the Trust Fund the right to seek reimbursement from the insurance carrier of any expenses or liabilities incurred by the Trustee.

5.6 Fiduciary Liability Insurance and Fidelity Bonds.

(a) Each Board of Trustees shall procure fidelity bonds required by ERISA and other fiduciary liability insurance covering claims against a Trust Fund arising from the conduct of any Trustee, Trust Fund employee or agent, or anyone providing services to the Trust Fund in the amount required by Section 412 of ERISA, 29 U.S.C. Section 1112. The Board shall, in its sole discretion, have the authority to require fidelity bonds above the minimum amount required by law. The proceeds of such policy may be used to satisfy the obligations of the Trust Fund set forth in Section 5.5. The cost of premiums for such bonds shall be paid out of the Trust Funds, except for bonds covering the investment manager and custodian, if any. Nothing herein shall be construed to prohibit any Trustee or other person in a Fiduciary relationship under the Trust Fund from purchasing insurance to cover liability for his own account, or the Union or an Employer from purchasing insurance to cover liability of one or more persons who serve in a Fiduciary capacity under the Trust Funds.

(b) A Board of Trustees may, with Trust Fund assets, purchase and maintain a policy or policies for fiduciary liability, health care coverage, property, casualty, employment practices liability, workers compensation and other types of insurance covering the Trust Fund (and its assets), the Trustees, Trust Fund employees and/or any other individuals deemed appropriate by the Board of Trustees, in such amounts, against such risks, and with such deductibles as, in the Board's prudent judgment, shall be appropriate in connection with the operation or administration of the Trust Funds.

ARTICLE 6 PLANS OF BENEFITS

6.1 Benefits.

(a) Each Board of Trustees shall have the full and exclusive right, power and authority, in its sole and absolute discretion, to determine all questions of the nature, type, form, amount, eligibility for and duration of benefits (including, without limitation, matters pertaining to the interpretation and application of reciprocity agreements with other funds and plans) to be provided to Participants and Beneficiaries under each Plan.

(b) The benefits provided by each Trust Fund shall be administered in accordance with the rules and procedures as formulated by the Trustees from time to time and shall extend to all Employees with respect to whose time worked any Employer is required to make contributions to the Trust Fund either pursuant to a Collective Bargaining Agreement or pursuant to an agreement between an Employer and the Union requiring a contribution on the same basis as Employees covered by a Collective Bargaining Agreement. With respect to the Scholarship Trust Fund, benefits shall extend to the sons and daughters of all persons employed as a plumber, pipe fitter, welder and refrigeration fitter under the terms of a Collective Bargaining Agreement.

(c) Payment of benefits under each Plan shall be made directly from the corresponding Trust Fund by the Board (or duly authorized agent) or may be provided for by the purchase and delivery of such insurance contracts, policies or certificates, to such persons, in such manner, and at such time as the Board shall decide.

(d) Each Fund's Board of Trustees (or its agents) shall be fully protected in making, discontinuing, or withholding benefit payments from the Trust Fund, or purchasing or delivering insurance contracts, policies or certificates (or instructing the insurers with respect thereto), all in reliance upon information received from an Employer respecting the status of any Employee employed by such Employer. Each Employer shall indemnify and hold harmless the Trust Fund and each Trustee from the consequences of relying on any information furnished to the Board of Trustees or its agents and representatives by such Employer.

(e) If for any reason (including, without limitation, mistake of fact or law, or reliance on any false or fraudulent statements, information or proof submitted by a claimant) benefit payments are made to any person or entity from a Trust Fund in excess of the amount which is due and payable under the applicable Plan, the Board of Trustees (or designee duly authorized by the Board of Trustees) shall have full authority, in its sole and absolute discretion, to recover the amount of any overpayment (plus interest, attorney's fees and costs). For purposes of this paragraph "overpayment" shall be deemed to also refer to claims filed with the Trust Fund which are related in any way to an action by a Participant or Beneficiary against a third party for which the Participant or Beneficiary has recovered any monies (even if said recovery is less than total losses). For this purpose, a Participant's or Beneficiary's uninsured motorist's insurance coverage shall also be deemed a "third party." The Board of Trustee's authority shall include, but shall not be limited to:

- (1) the right to reduce benefits payable in the future to the person who received the overpayment,
- (2) the right to reduce benefits payable to a Participant or Beneficiary who is, or may become, entitled to receive payments under the Plan,
- (3) the right to reduce benefits payments to a person or entity to which the Participant or Beneficiary has assigned benefits payable in the future, and/or
- (4) the right to initiate a lawsuit or take such other legal action as may be necessary to recover any overpayment (plus interest, attorney's fees and costs).

6.2 Written Plans of Benefits. The basis upon which the eligibility for benefits; type, forms, nature and amount of benefits payable (and any restrictions thereon); and the payment of benefits to Participants and Beneficiaries shall be specified in the form of written plan documents. Each Trust Fund's Board of Trustees reserves to itself the power to amend, modify or terminate each Plan or Trust, in its sole and absolute discretion. The written terms of each Plan shall be binding on all Participants, Beneficiaries and persons claiming benefits thereunder, and on any Employer or Union participating in the Plan through a Collective Bargaining Agreement or Adoption Agreement. If such Plan does not include a written benefit claims and appeals procedures, the procedures set forth in Section 4.7 of this Trust Agreement shall apply.

6.3 Insurance Contracts. The written plan of benefits comprising a Plan may (but need not necessarily) consist, in whole or in part, of contracts with one or more insurance companies.

6.4 No Assignment of Benefits. Except as may otherwise be provided in a Plan, or except as provided in ERISA or the Internal Revenue Code (such as the requirement to provide "qualified medical child support orders" as defined in Section 609(a)(2) of ERISA, 29 U.S.C. Section 1169(a)(2):

(a) No benefit payable at any time under any Plan prior to receipt thereof by a Participant or Beneficiary (or heir or estate) and no monies or other property of any nature whatsoever in the Trust Fund or contracts, policies, benefits, or monies payable therefrom shall be subject in any manner to alienation, sale, transfer, assignment, pledge, attachment, garnishment, mortgage, lien, charge or encumbrance of any kind, nor shall any benefit, until actually paid to the Participant or Beneficiary (or heir or estate), be in any manner subject to the debts or liabilities of said Participant or Beneficiary.

(b) Benefit payments (or portions thereof) under a Plan or Trust Fund shall not in any way be subject to any legal process, execution, attachment or garnishment, be used for the payment of any legal claim against any such person, or be subject to the jurisdiction of any bankruptcy court or insolvency proceedings by operation of law or otherwise.

(c) Notwithstanding the foregoing, if a Participant or Beneficiary is a minor or is considered by the Trustees to be incompetent, then any payment due may be paid to such person and in such manner that the Trustees in their sole discretion consider to be in the best interest of the Beneficiary for whom the payment is made. The Trustees shall not be under any

duty to see to the application of funds so paid, provided due care was exercised in the selection of the person to whom funds were paid, and the receipt of the person to whom funds were paid shall be full acquittance to the Trustees. The Trustees shall not be liable to any person for a determination made in good faith that a Beneficiary is incompetent.

ARTICLE 7 PAYMENTS TO THE FUND

7.1 Employer Contributions. Each Employer shall make payments on behalf of its Employees as provided by the applicable Collective Bargaining Agreement or shall do so in the time and manner prescribed by the Trustees in the Subscriber Agreement. Nothing in the Trust Agreement shall be construed, directly or indirectly, to increase the amount of Employer Contributions to a Trust Fund beyond that expressly set forth in the controlling Collective Bargaining Agreement.

7.2 Administration. The Board of Trustees shall appoint an Administrator, who may be an employee, independent contractor, partnership or corporation, and shall establish the administrative office of the Trust Fund for the collection and receipt of contributions, for maintenance of Trust records, for receiving all communications and notices to the Trustees, for processing claims received by the Trust Fund, for service of process on the Trustees and for such other purposes as may be directed by the Board of Trustees.

7.3 Delinquent Payments.

(a) The monthly payments to the Trust Funds by the Employers, shall be due on the twentieth (20th) day of the month following the month in which the covered work was performed for the Employer.

(b) If an Employer's payment is not received by a Trust Fund or postmarked by the twentieth (20th) day of the month in which it is due, the Employer shall be considered as delinquent and any and all amounts delinquent shall be collected pursuant to the delinquency procedures set forth in the U.A. Local 38 Trust Funds Collection and Procedure Policy Re: Delinquent Employers Wage and Fringe Benefit Contribution Accounts last amended and adopted on October 28, 2008 and as amended. Attorney's fees may be assessed if a delinquency is referred to legal counsel for collection, even if no formal legal action is initiated. The Employer shall reimburse the Trust \$500.00 for each letter legal counsel is required to send to pursue a delinquency pursuant to the Trust Fund's delinquency procedures. If legal action is instituted by a Trust Fund for collection of the delinquent contributions, the Employer shall pay all court costs, interest, and reasonable attorney fees. The Trustees in their discretion may allow repayment of Employer delinquencies in installments. The interest rate applicable to delinquencies shall be the rate specified in Internal Revenue Service Code Section 6621, and calculated from the date contributions are originally due.

(c) The regular and prompt payment of Employer Contributions to the Fund is essential to the maintenance and effectiveness of the Trust Funds and it would be extremely difficult and impractical to fix the actual expense and damage to a Trust Fund which would result from the failure of an individual Employer to make the required payment in full within the time

above provided. Therefore, the amount of damage to a Trust Fund resulting from any such failure is agreed to be:

(1) the sum of ten (10) percent of the amount of payments due or \$25.00, whichever is greater, immediately following the date on which payments become delinquent.

These amounts shall become due and payable to the Fund as liquidated damages and not as a penalty and shall be in addition to interest, legal fees and costs reasonably expended by the Trust in collection.

Ten (10) percent liquidated damages, as described above, shall be assessed for additional delinquencies discovered through an Employer payroll audit from the date the audit becomes final.

(d) All payments received from a delinquent Employer shall be applied in the following order: First to pay the contributions inclusive and liquidated damages assessed herein pursuant to Article VIII Section 49(c) of the Collective Bargaining Agreement owed for the earliest month for which the Employer is delinquent; second, to pay contributions owed for each subsequent month of delinquency inclusive and liquidated damages assessed herein pursuant to Article VIII Section 49(c) of the Collective Bargaining Agreement of in chronological order; thereafter, to pay any liquidated damages, interest and/or collections costs owing. Delinquent Employers who have filed for reorganization pursuant to Chapter 11 of the Federal Bankruptcy Code shall be eligible for waiver of this order of payment, subject to review by the Board of Trustees.

(e) In addition to any other remedies to which the Trustees may be entitled under this Agreement, in the event that an Employer fails to make required contributions to a Trust Fund, a Board of Trustees may bring an action on behalf of the Trust Fund pursuant to ERISA Section 502(g)(2), 29 U.S.C. 1132(g)(2) and/or ERISA Section 515, 29 U.S.C. Section 1145, to enforce the Employer's obligation to contribute to the Trust Fund. In addition to the amount set forth in Subsections (c) and (d) of this Section, in the event that legal action is initiated for the collection of delinquent contributions, the delinquent Employer shall be liable for all costs and expenses incurred in collecting its contributions or other payments to the Trust Fund, including but not limited to audit expenses, attorney's fees, interest, court costs and all other costs and expenses attributable to the collection of such contributions or other payments.

(f) Nothing in this Article VII shall prohibit a Board of Trustees from delegating its authority to enforce these provisions to another Trust Fund. The Trustees may agree to coordinate collection and delinquency enforcement efforts through a single Trust Fund, which shall allocate costs and payments among the Trust Funds on a pro rata basis (based on the proportion of the Trust Fund's delinquency to the total delinquency of all Trust Funds).

ARTICLE 8 RIGHTS OF PARTIES IN THE FUND

8.1 No Interest in Trust Fund Assets. No Employer shall be liable for any payment to a Trust Fund required from another Employer, and the Union shall not be liable for any such

payment. Neither an Employer nor the Union shall be liable for any benefits, debts, liabilities or obligations of the Trust or of the Trustees. No Union, Employer, Participant, Employee, Beneficiary or any other person shall have any individual right, title or interest to any of the assets of the Trust Fund other than as specifically provided in this Trust Agreement or under the terms of a Plan. No Employer shall have the right to the return of any money paid by it into a Trust Fund except as provided in Section 8.3, below, and no Participant, Employee, Beneficiary or any other person shall have any right, privilege or option to receive any cash or other consideration from a Trust Fund in lieu of the benefits provided hereunder.

8.2 Obligation of Trust Fund. A Trust Fund shall provide and pay benefits under programs adopted pursuant to the Collective Bargaining Agreements and this Trust Agreement, but the liability of a Trust Fund shall in no event extend beyond the funds which are available to it from contributions made to the Trust Fund in accordance with the Collective Bargaining Agreements.

8.3 Return or Credit for Mistaken Contributions.

(a) The Trust Funds have been established for the sole and exclusive purpose of providing benefits for Employees or their Beneficiaries in accordance with the provisions of the Plans. No persons, whether Employees, Participants, Beneficiaries or otherwise, shall have any interest in a Trust Fund except as expressly provided in a Plan or this Trust Agreement. At no time shall any assets of a Trust Fund be used for, or diverted to, purposes other than the exclusive benefit of Employees, Participants, Beneficiaries or other persons who may be entitled to receive benefits under a Plan administered by that Trust Fund, nor will any assets of a Trust Fund revert to or become the property of an Employer except as set forth in Subsection (b), below.

(b) A contribution made by an Employer by mistake of fact or law may, in the sole and absolute discretion of a Board of Trustees, be returned to the Employer only as follows:

(1) Refunds or credits for mistaken contributions discovered as a result of the Trust Fund's payroll testing of an Employer are limited to payments made by the Employer during the six (6) calendar months preceding the last month tested. Refunds or credits for mistaken contributions discovered by the Employer, the Administrator or in any other manner are limited to payments made by the Employer during the six (6) calendar months preceding the date the Trust Fund receives notice of the error.

(2) Refunds or credits are permitted only to the extent possible without loss to the Trust Fund. The following deductions shall be made from all refunds or credits: (i) The amount of any benefits paid in reliance on the mistaken contribution; (ii) Premiums paid to insurers in reliance on the mistaken contribution; (iii) An administrative charge of ten (10) percent of the total contribution (for the cost of reviewing records in connection with the refund, legal fees, prepaid premiums for life insurance and vision benefits and other non-refundable charges by providers of contract services to the Trust Fund); and (iv) The cost of payroll testing if Employer underpayments or overpayments exceed \$3,000 or five (5) percent of the required contributions for the period tested, whichever is greater. Liquidated damages will be assessed on billings for payroll testing in accordance with Section 7.3.

(c) The determination as to whether an Employer has made a contribution or other payment to a Trust Fund by mistake of fact or law, and whether such contribution or payment should be returned to the Employer, shall be made in the sole and absolute discretion of the Board of Trustees in accordance with ERISA and other applicable law, taking into account all of the evidence submitted by such Employer to demonstrate that such contribution or payment was made by mistake; provided, however, that the Employer shall have the burden of proving that such contribution or payment was made by mistake.

(d) Except as provided above, in no event shall any assets of a Trust Fund revert to or become the property of an Employer.

ARTICLE 9 ADDITIONAL PARTIES

9.1 Insurance Companies. No insurance company will be considered party to a Plan or a Trust Fund for any purpose, or in any way responsible for its performance, validity or sufficiency. An insurance company will be obligated only to the extent set forth in any contracts issued by it and will not be required to take or permit any action contrary to the provisions of such contracts.

9.2 Other Parties. No person, partnership, corporation or other association dealing with the Trustees shall be obligated to see to the application of any assets or property of a Trust Fund, unless such obligation is set forth in a written agreement, or to see that the terms of this Trust Agreement have been complied with, or be obligated to inquire into the necessity for or expediency of any act of the Trustees. If any instrument is executed by the Trustees (whether by all of them or in any manner specified in this Trust Agreement) it shall be to establish from the fact of such execution alone, in favor of any person, partnership, corporation, or other association relying thereon, that at any time of delivery of such instrument this Trust Agreement was in full force and effect, that such instrument was executed and delivered in accordance with the terms of this Trust Agreement, and that the Trustees were duly authorized and empowered to execute and deliver such instrument.

ARTICLE 10 AMENDMENT, TERMINATION AND TRANSFER OF ASSETS

10.1 Amendment. This Trust Agreement may be amended by a written instrument signed by the Trustors, provided that no amendment shall:

- (a) revert any part of the monies or assets of a Trust Fund in any Employer;
- (b) make possible the diversion of any part of Trust Fund monies or assets to any purpose other than the exclusive benefit of the Participants and Beneficiaries of that Trust Fund;
- (c) decrease the proportionate interest of any Participant or Beneficiary as of the date of such amendment;

(d) be contrary to the provisions of the Collective Bargaining Agreements then in effect; or

(e) retroactively increase the duty, obligations, responsibilities or liabilities of the Trustees, or any of them, without their consent.

If this Trust Agreement is modified or amended, then the Trustees and each of them shall have the option to accept the modification or amendment and continue in office or resign.

10.2 Termination.

(a) This Agreement and/or any Trust Fund established hereunder may be terminated:

(1) under the terms of a Collective Bargaining Agreement;

(2) by written instrument, fully executed by the Association and the Union;

(3) automatically, upon the death of the last survivor of such persons who are living at the time of its creation, who were entitled to receive benefits hereunder; provided that if without the benefit of this provision this Trust Fund does not violate the rule against perpetuities, it shall continue in perpetuity unless otherwise terminated.

(b) In the event of the termination of a Trust Fund, the Board of Trustees shall apply the assets of the Trust Fund to pay or provide for the payment of any and all obligations of the Trust Fund and distribute or apply any remaining surplus in a manner consistent, in their opinion, with this Trust Agreement, the Plans, ERISA, the Internal Revenue Code and any other applicable law; provided, however, that no part of the corpus or income of the Trust Fund shall be used for or diverted to purposes other than for the exclusive benefit of the Participants and Beneficiaries as their interests may appear at the time of termination (except as provided in Section 8.3), the payment of administrative expenses of the Trust Fund, or for, other payments in accordance with the provisions of this Trust Agreement. Except as provided under Section 8.3, under no circumstances shall any portion of the corpus or income of the Trust Fund, directly or indirectly, revert or accrue to the benefit of any Employer or Union.

(c) Upon termination of a Trust Fund, the Board of Trustees shall promptly notify all necessary parties, including the Unions, Employers, any insurance carriers, service providers and as many Employees, Participants and Beneficiaries as possible, and the Board shall continue to act as Trustees for the purpose of concluding the affairs of the Trust Fund. The Board of Trustees may take any action with regard to insurance policies or group contracts that may be required and which the Trustees, in their discretion, may deem appropriate.

ARTICLE 11 DURATION

11.1 Effective Date and Continuation. The Trustors contemplate that Collective Bargaining Agreements shall be entered into continuing the Trust Fund hereby created, and

intend that this Trust Agreement and the Trust Funds herein established shall continue in effect indefinitely.

ARTICLE 12 MISCELLANEOUS

12.1 Governing Law. The interpretation of this Trust Agreement and the administration of the Trust Funds created hereby shall be governed by the Employee Retirement Income Security Act of 1974 (ERISA), the Internal Revenue Code and the laws of the State of California to the extent not preempted by federal law.

12.2 Persons Bound. This Trust Agreement shall be binding upon the successors and assigns of the Association, the Union, the Trustees, Employers, Participants and Beneficiaries.

12.3 Collective Bargaining Agreement. This Trust Agreement incorporates by this reference the provisions of the Collective Bargaining Agreement which provide for the creation of the Trust Funds, and in the event of conflict between the provisions of such Collective Bargaining Agreement and the provisions of this Trust Fund, the provisions of the Collective Bargaining Agreement shall be controlling, but the Trustees will in administering the Trust Agreement implement Collective Bargaining Agreement provisions relating to the Trust Funds and not in conflict with this Agreement so long as such implementation does not violate ERISA, the Internal Revenue Code, other applicable law or prudent behavior.

12.4 Titles, Plural and Gender. Titles, headings, and subheadings for sections and paragraphs are inserted for the convenience of reference only, and this Trust Agreement shall not be construed by reference to them. Wherever required by context, the singular of any word used in this Agreement shall include the plural and the plural may be read in the singular. Words used in the masculine shall be read and construed in the feminine where they would so apply.

12.5 Severability. If any one or more of the covenants, agreements, provisions or terms of this Trust Agreement (or any amendment hereto) shall be held contrary to any provision of law, or shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms (or amendments) shall:

- (a) be enforced only to the extent not contrary to law or invalid;
- (b) be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement; and
- (c) shall in no way affect the validity or enforceability of the other provisions of this Agreement or the rights of the parties hereto.

12.6 Successor Provisions. Any references to a Section of ERISA or the Internal Revenue Code, or to any regulations or administrative pronouncements thereunder, shall be deemed to include a reference to any successor provision of ERISA or the Internal Revenue Code (or of any successor federal law) or to any successor regulations or administrative pronouncements thereunder. Any reference to a Collective Bargaining Agreement shall be deemed to include a reference to any successor agreement.

12.7 Entire Agreement. This Trust Agreement sets forth the entire agreement of the parties hereto with respect to the subject matter hereof, is intended to be the complete and exclusive statement of the terms hereof, and may not be modified or amended except pursuant to the procedure set forth in Section 10.1.

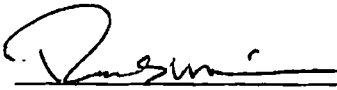
12.8 Construction. No provision of this Agreement shall be construed so as to violate the requirements of ERISA, the Internal Revenue Code or other applicable law.

12.9 Interpretation of Agreement. Should any provision of this Trust Agreement require interpretation or construction, it is agreed by the parties that the court, administrative body or other entity interpreting or construing this Agreement shall not apply a presumption that the provisions hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agents prepared the same, it being agreed that all parties, by their respective representatives and agents, have fully participated in the preparation of all provisions of this Agreement.

The undersigned hereby accept the Trusts and agree to the terms of this Agreement.

TRUSTORS

NORTHERN CALIFORNIA
MECHANICAL CONTRACTORS
ASSOCIATION

By: 

Date: 10/25, 2017

LOCAL UNION 38 OF THE UNITED
ASSOCIATION OF JOURNEYMEN AND
APPRENTICES OF THE PLUMBING AND
PIPEFITTING INDUSTRY OF THE
UNITED STATES AND CANADA

By: 

Date: 10.23, 2017

**TRUSTEES OF THE U.A. LOCAL 38
APPRENTICESHIP AND SUPPLEMENTAL TRAINING TRUST FUND
OF SAN FRANCISCO, MARIN, SONOMA, MENDOCINO AND LAKE COUNTIES**

UNION TRUSTEES

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10/25/17, 2017

By: [Signature]
Date: 10/25, 2017

By: [Signature]
Date: 10/26, 2017

EMPLOYER TRUSTEES

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10/25, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10/30, 2017

By: _____
Date: _____, 2017

TRUSTEES OF THE U.A. LOCAL 38 HOLIDAY AND VACATION TRUST FUND OF
SAN FRANCISCO, MARIN, SONOMA, MENDOCINO AND LAKE COUNTIES

UNION TRUSTEES

By: [Signature]
Date: 10-23, 2017

By: B. B. [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10/25/17, 2017

By: [Signature]
Date: 10/25, 2017

By: [Signature]
Date: 10/26, 2017

By: _____
Date: _____, 2017

EMPLOYER TRUSTEES

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10/25, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10/30, 2017

TRUSTEES OF THE U.A. LOCAL 38 SUPPLEMENTAL UNEMPLOYMENT
BENEFITS TRUST FUND

UNION TRUSTEES

EMPLOYER TRUSTEES

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: B. B. [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10/25, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10/25/17, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10/25, 2017

By: [Signature]
Date: 10/30, 2017

By: [Signature]
Date: 10/26, 2017

By: _____
Date: _____, 2017

TRUSTEES OF THE U.A. LOCAL 38 SCHOLARSHIP TRUST FUND OF SAN
FRANCISCO, MARIN, SONOMA, MENDOCINO AND LAKE COUNTIES

UNION TRUSTEES

EMPLOYER TRUSTEES

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10/25/17, 2017

By: [Signature]
Date: 10/25, 2017

By: [Signature]
Date: 10/25/, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10/26, 2017

By: [Signature]
Date: 10-25, 2017

By: _____
Date: _____, 2017

By: [Signature]
Date: 10/30, 2017

TRUSTEES OF THE U.A. LOCAL 38 HEALTH & WELFARE TRUST FUND OF SAN
FRANCISCO, MARIN, SONOMA, MENDOCINO AND LAKE COUNTIES

UNION TRUSTEES

EMPLOYER TRUSTEES

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10-23, 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10/25/17 2017

By: [Signature]
Date: 10-25, 2017

By: [Signature]
Date: 10/25, 2017

By: [Signature]
Date: 10/30/17 2017

By: [Signature]
Date: 10/26, 2017

By: _____
Date: _____, 2017