

## Personal Fund

An eligible Participant's Personal Fund will grow with the contributions that are made to it. The account will be decreased by any benefit distribution made from it. No more will be paid out to a Participant (or his beneficiary) under this program than has come into his Personal Fund by way of employer contributions made on his work or initial allocation if any.

- Purpose/intentions;
- a. Safeguard or improve health of Participant/Dependent
  - b. Protect against interruption or impairment of Participant earning power or estate
  - c. Provision of voluntary life, sick and accident benefit opportunities
  - d. Severance pay
- Regulatory authority - Welfare Fund Trust agreement, IRS Code 501-(C) 9
- Governing body - Trustees of Steamfitters Welfare Fund Local Union 475
- Funding - 3% of gross wages
- Tracking/accounting
- Steamfitters Local 475 members
  - Additional column on Employee record card, e.g. Vacation/Surety/Personal
    - (Non 475 – Entire Welfare contribution reciprocated to Home Local, no traveler vesting).
    - Cumulative, balance entire work history – debits/credits on statement
- Expenses/Adm. costs
- Initial borne by Welfare fund
  - Possible 0.25% expense fee (shown as debit/credit)
  - Earnings on accounts – **None** – Except earnings in excess of expense during periods of high interest rates for example – distributed annually on pro rata basis in form of dividend.
- Minimum balance  
(suggested – maintain)
- zero / \$500.00 / \$1,000.00

# Personal Fund (continued)

## Voluntary

Suggested Allowable expenditure  
(Participant directed access)

- Medical Premium
  - Rule of 90 enrollees
  - COBRA
- Medical expense
  - Should health care expense, including payment made for COBRA coverage or other payment required to continue coverage for spouse or dependent children, and such is not covered expense under one of other coverages of the Welfare Fund, a person may apply for a distribution from their Personal Fund to pay for the uncovered bills.
  - *e.g. non covered family dental expense in excess of annual max*
  - Deductible; motor cycle/motor vehicle med. Expenses
- Insurance premiums
  - Long term care participant/family member
  - Term life
  - Universal life
- Disability (Temp) supplementary
  - Length of service – scale \$75.00 - \$150.00
- Unemployment
  - Length of service – scale \$75.00 - \$150.00
- Education
  - post elementary school education tuition for a dependent child

## Involuntary

- Severance:
  - Automatic payout 24 months after last contribution, fully taxed to recipient.
- Unemployment – copy of state check
- Disability – copy of comp or state check
- Medical – accumulated deductibles; motor vehicle/medical billing
- Premium notices
- etc.

Standards of proof