

# ***INTERNATIONAL UNION OF OPERATING ENGINEERS***

## ***Local Union 478 Benefit Funds***

*Annuity Fund • Apprenticeship Training Fund • Health Benefits Fund  
Pension Fund • Supplemental Unemployment Benefits Fund*

December 4, 2025

**RE: NOTICE TO SIGNATORY CONTRACTORS - AMENDMENT OF THE COLLECTION POLICY FOR WORK PERFORMED ON AND AFTER JANUARY 1, 2026; INTEREST WILL BE ASSESSED ON DELINQUENCIES**

Dear Signatory Contractor:

The purpose of this correspondence is to advise you that the Funds' Collection, Delinquency and Audit Policy has been amended to provide for required interest charges on all employer contributions to the Funds that are three (3) full months delinquent for work performed on or after January 1, 2026. Such delinquencies will accrue an interest charge of one percent (1%) for each full month that payment is late until payment is actually made.

For example, if you do not pay contributions due and owing for work performed in the month of January 2026 by March 31, 2026, your Company will be assessed interest in the amount of one percent (1%) of the total amount of your January 2026 contributions. If January 2026 contributions are still not paid by April 30, 2026, your Company will be assessed an additional one percent (1%) in interest. Further, if contributions for January 2026 are not paid by May 31, 2026, your Company will again be assessed one percent (1%) in interest. Please be aware that January 2026 contributions which are not received on or before May 31, 2026, are now considered 3 full months late, and your Company must pay: (a) interest that has accrued over the previous 3 full months (i.e., March, April and May), plus (b) any additional one percent (1%) interest which accrues for each full month thereafter until payment of the January 2026 contributions is received by the Fund Office. In this example, any accrued interest due and owing would be determined and billed by the Fund Office as soon as possible after your January 2026 contributions are actually received.

As you know, under the Collective Bargaining Agreement (hereinafter "CBA") applicable to your Company, Signatory Employers are obliged to pay the Fringe Benefit Fund contributions on or before the 20<sup>th</sup> of the month following the month in which the work in Covered Employment is performed. *See* Articles 9-12 of the CBA.<sup>1</sup> In addition, Signatory Employers, by virtue of being a party to the CBA, have agreed to comply with the documents and legally enacted policies of the Operating Engineers Local 478 Benefit Funds – such as the Funds' Collection, Delinquency and Audit Policy. *See* Article 13, Section 7 of the CBA. Failure to make contributions as required by the CBA, will subject employers to the terms of the Collection Policy.

As previously stated, this amendment to the Collection Policy will be implemented for work performed on or after January 1, 2026. Payment of interest under this amendment is required and will not be waived under any circumstances, should your Company be charged with late fee interest. Keep in mind that late 401(k) contributions are subject to different rules.

Thank you for your anticipated cooperation in this matter. If you should have any questions concerning the late fee interest charge, please contact the Fund Office.

Very truly yours,  
Operating Engineers Local 478 Funds

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<sup>1</sup> This notice refers to the "Heavy & Highway" CBA; other CBA references may apply to your Company.