

EXHIBIT A

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

TRUSTEES of the CHICAGO REGIONAL)	
COUNCIL OF CARPENTERS PENSION FUND,)	
CHICAGO REGIONAL COUNCIL OF)	
CARPENTERS WELFARE FUND, and CHICAGO)	
REGIONAL COUNCIL OF CARPENTERS)	
APPRENTICE & TRAINEE PROGRAM FUND)	
)	CIVIL ACTION
Plaintiffs,)	
)	07 C 6623
)	Judge Kennelly
v.)	
)	
RITEWAY-HUGGINS CONSTRUCTION)	
SERVICES, INC. d/b/a RITEWAY CONSTRUCTION)	
SERVICES, INC.)	
)	
Defendant.)	

DECLARATION OF CAROLYN SANTORO

Pursuant to 28 U.S.C. § 1746, I, Carolyn Santoro, do declare under penalty of perjury that the following is true and correct:

1. I am employed as an Audit Coordinator by the Chicago Regional Council of Carpenters Benefit Trust Funds and in such capacity I am authorized to make this declaration.
2. I have personal knowledge of the facts contained in this Declaration and, if called upon to testify, I would testify in accord with the statements and representations contained in this Declaration.
3. In my capacity as an Audit Coordinator, I was responsible for adjusting the audit of the books and records of Riteway-Huggins Construction Services, Inc. based upon this Court's ruling on the Funds' Motion for Summary Judgment on Liability.
4. Based upon the adjusted audit, I was responsible for calculating the amount of

delinquent contributions, interest and liquidated damages in accord with the provisions of the Collective Bargaining Agreement, Trust Agreements, and the Board of Trustees' Agreed Upon Procedures for Audits.

5. I calculated the delinquent contributions attributed to "clerical error" (Code 101) by multiplying the difference between the actual hours worked and the hours reported by the company, by the applicable contribution rate for that month for each individual. For example, for the month of December 2003, for employee Michael Tworek, the difference between the actual hours worked and the hours reported by the company were 66.00. The applicable contribution rate for December, 2003 as called for by the Collective Bargaining Agreement is \$9.65. 66.00 multiplied by \$9.65 equals \$636.90 in delinquent contributions attributed to hours worked by Michael Tworek for December, 2003. (Ex. B, Revised Audit, page 5).

6. There were 32.00 hours worked by employee Willie Lee, prior to the time that Riteway-Huggins began reporting his hours to the Funds. I calculated the delinquent contributions attributed to "hours worked prior to reporting" (Code 102) by multiplying the hours worked by the applicable contribution rate for that month. For example, Willie Lee worked 32 hours in the month of April, 2005. The applicable contribution rate for April, 2005 was \$11.05 per hour. 32 hours multiplied by \$11.05 equals \$353.60. (Ex. B, Revised Audit, page 17).

7. I calculated the delinquent contributions attributable to Riteway-Huggins' non-signatory subcontractor, Vanique Custom Designs, by dividing the amount of the labor stated on the two Vanique invoices by the applicable wage rate according the month of December 2003 to determine the approximate number of hours that should have been reported to the Funds. The total amount of labor stated on the Vanique invoices is \$675.00. (Ex. E). \$675.00 divided by

the applicable wage rate of \$33.32 per hour, equals 20.25 hours that should have been reported to the Funds on behalf of the non-signatory subcontractor. The applicable contribution rate for December, 2003 was \$9.65. 20.25 hours multiplied by \$9.65 equals \$195.41 in delinquent contributions. (Ex. B, Revised Audit, page 5).

8. I calculated the delinquent contributions attributable to Riteway-Huggins' non-signatory subcontractor, Red Flooring by multiplying the amount of Riteway-Huggins' payments to Red Flooring by a labor factor of 33% and then dividing that amount by the appropriate wage scale for applicable months to determine the number of hours worked by Riteway-Huggins' non-signatory subcontractor. The Agreed Upon Collection Procedures approved by the Board of Trustees require that when an invoice mentions materials and labor, but there is no breakdown between the two, the amount of the payment or invoice is divided by 33% as an estimation of the amount of the labor. (Ex. F, Agreed Upon Collection Procedures, page 6). After determining the approximate number of hours worked by the employees of Red Flooring, I multiplied the approximate number of hours worked by the appropriate contribution rate to determine the amount of delinquent contributions owed for the work performed by Red Flooring. Based upon the invoice produced by Riteway-Huggins (Ex. G) and the two payments made from Riteway-Huggins, I calculated the delinquent contributions as follows:

Check #16394 Dated 2/6/06 for \$5,500

$\$5,500 \times .33 \text{ labor factor} = \$1,815$
 $\$1,815 / 35.32 \text{ per hour} = 51.38 \text{ hours (rounded to 51.50)}$
 $51.50 \text{ hours} \times \$12.70 \text{ contribution rate} = \664.05

Check#16772 Dated 6/5/2006 for \$5,000

$\$5,000 \times .33 \text{ labor factor} = \$1,650$
 $\$1,650 / 36.32 \text{ per hour} = 45.25 \text{ hours}$
 $45.25 \text{ hours} \times 14.50 = \656.13

9. I calculated the delinquent contributions for work performed by Riteway-Huggins' non-signatory subcontractor, Busy Hands and Feet by dividing the amount of the payment from Riteway-Huggins to Busy Hands and Feet by the applicable wage rate for the time period of the payment to determine the number of hours worked. Since Riteway-Huggins did not provide invoices that corresponded to the payments made to Busy Hands and Feet, I applied a 100% labor factor to the payments in accord with the Funds' Agreed Upon Collection Procedures. (Ex. F, Agreed Upon Collection Procedures, page 6). In other words, the entire amount of the payments from Riteway-Huggins to Busy Hands and Feet was attributed to labor. I then multiplied the number of hours worked by the applicable trust fund contribution rate to determine the amount of delinquent contributions. The delinquent contributions were calculated as follows:

Check # 14424 Dated 8/27/04 for \$3,100.00
\$3,100 / 34.32 per hour = 90.33 hours (rounded to 90.25)
90.25 hours x 11.05 contribution rate = \$997.26

Check #14425 Dated 8/27/04 for \$2,400.00
\$2,400 / 34.32 per hour = 69.93 hours (rounded to 70.00)
70.00 hours x 11.05 contribution rate = \$773.50

Check #14456 Dated 9/3/04 for \$6,858.00
\$6,858 / 34.32 per hour = 199.83 hours (rounded to 199.25)
199.25 hours x 11.05 contribution rate = \$2,201.71

Check #14493 Dated 9/10/04 for \$8,200.00
\$8,200 / 34.32 per hour = 238.92 hours (rounded to 239.00)
239.00 hours x 11.05 contribution rate = \$2,640.95

Check #14510 Dated 9/16/04 for 7,400.00
\$7,400 / 34.32 per hour = 215.61 hours (rounded to 215.50)
215.50 hours x 11.05 contribution rate = \$2,381.28

Check #14526 Dated 9/22/04 for \$10,640.00
\$10,640 / 34.32 per hour = 310.02 hours (rounded to 310.00)
310.00 hours x 11.05 contribution rate = \$3,425.50

Check #14540 Dated 9/28/04 for \$1,100.00

\$1,100 / 34.32 per hour = 32.05 hours (rounded to 32.00)

32.00 hours x 11.05 contribution rate = \$353.60

Check #14792 Dated 12/6/04 for \$15,250.00

\$15,250 / 34.32 per hour = 444.25 hours

444.25 hours x 11.05 contribution rate = \$4,908.96

Check #15454 Dated 5/16/05 for \$14,154.31

\$14,154.31 / 34.32 per hour = 412.42 (rounded to 412.50)

412.5 hours x 11.05 contribution rate = \$4,558.13

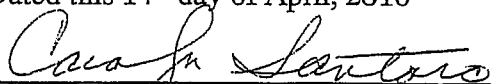
10. The total dollar amount of the delinquent contributions is \$28,122.59.

Because of its failure to pay contributions in a timely manner, the Trust Agreements for the Pension Fund, Welfare Fund and Apprenticeship Fund, as well as the Collective Bargaining Agreement, mandate the assessment of liquidated damages. The liquidated were capped at 20.00% of the total damages in accord with the limitation on liquidated damages set forth in ERISA. The amount of liquidated damages owed is \$5,624.52. (Ex. B, Revised Audit, page 1).

11. The interest calculation is based on the ERISA Section awarding such interest, 29 U.S.C. § 1132(g)(2) and because the relevant Trust Agreements do not specify the rate of interest, the calculations were done pursuant to Section 6621 of the Internal Revenue Code. The amount of interest owed is \$10,773.37 for the period of December, 2003, through June, 2006. (Ex. B, Revised Audit, pages 1-3).

12. The Fund has expended \$6,740.20 in auditor fees billed by the certified public accounting firm of James Egan & Associates.

Dated this 14th day of April, 2010


Carolyn Santoro, Audit Coordinator