

organization which has assumed trusteeship over such labor organization shall file such report as provided in §408.5 of this chapter.

(d) Every labor organization with annual receipts of \$250,000 or more shall, except as otherwise provided, file a report on Form T-1 for every trust in which the labor organization is interested, as defined in section 3(l) of the Act, 29 U.S.C. 402(l), that has gross annual receipts of \$250,000 or more, and to which \$10,000 or more was contributed during the reporting period by the labor organization or on the labor organization's behalf or as a result of a negotiated agreement to which the labor organization is a party. A separate report shall be filed on Form T-1 for each such trust within 90 days after the end of the labor organization's fiscal year in the detail required by the instructions accompanying the form and constituting a part thereof, and shall be signed by the president and treasurer, or corresponding principal officers, of the labor organization. No Form T-1 need be filed for a trust if an annual financial report providing the same information and a similar level of detail is filed with another agency pursuant to federal or state law, as specified in the instructions accompanying Form T-1. In addition, an audit that meets the criteria specified in the Instructions for Form T-1 may be substituted for all but page 1 of the Form T-1. If, on the date for filing the annual financial report of such trust, such labor organization is in trusteeship, the labor organization that has assumed trusteeship over such subordinate labor organization shall file such report as provided in §408.5 of this chapter.

[28 FR 14383, Dec. 27, 1963, as amended at 50 FR 31309, Aug. 1, 1985; 68 FR 58447, Oct. 9, 2003]

**§403.3 Form of annual financial report—detailed report.**

Every labor organization shall, except as expressly provided otherwise in this part, file an annual financial report as required by §403.2, prepared on United States Department of Labor Form LM-2, "Labor Organization Annual Report," in the detail required by

the instructions accompanying the form and constituting a part thereof.

NOTE: Form LM-2 was revised at 58 FR 67594, December 21, 1993.

[28 FR 14383, Dec. 27, 1963, as amended at 62 FR 6092, Feb. 10, 1997]

**§403.4 Simplified annual reports for smaller labor organizations.**

(a)(1) If a labor organization, not in trusteeship, has gross annual receipts totaling less than \$200,000 for its fiscal year, it may elect, subject to revocation of the privileges as provided in section 208 of the Act, to file the annual financial report called for in section 201(b) of the Act and §403.3 of this part on United States Department of Labor Form LM-3 entitled "Labor Organization Annual Report," in accordance with the instructions accompanying such form and constituting a part thereof.

(2) If a labor organization, not in trusteeship, has gross annual receipts totaling less than \$10,000 for its fiscal year, it may elect, subject to revocation of the privileges as provided in section 208 of the Act, to file the annual financial report called for in section 201(b) of the Act and §403.3 on United States Department of Labor Form LM-4 entitled "Labor Organization Annual Report" in accordance with the instructions accompanying such form and constituting a part thereof.

(b) A local labor organization not in trusteeship, which has no assets, no liabilities, no receipts and no disbursements during the period covered by the annual report of the national organization with which it is affiliated need not file the annual report required by §403.2 if the following conditions are met:

(1) It is governed by a uniform constitution and bylaws filed on its behalf pursuant to §402.3(b) of this chapter, and does not have governing rules of its own;

(2) Its members are subject to uniform fees and dues applicable to all members of the local labor organizations for which such simplified reports are submitted;

(3) The national organization with which it is affiliated assumes responsibility for the accuracy of, and submits

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with its annual report, a separate letter-size sheet for each local labor organization containing the following information with respect to each local organization in the format illustrated below as part of this regulation:

- (i) The name and designation number or other identifying information;
- (ii) The file number which the Office of Labor-Management Standards has assigned to it;
- (iii) The mailing address;
- (iv) The beginning and ending date of the reporting period which must be the same as that of the report for the national organization;
- (v) The names and titles of the president and treasurer or corresponding principal officers as of the end of the reporting period;

(4) At least thirty days prior to first submitting simplified annual reports in accordance with this section, the national organization notifies the Office of Labor-Management Standards in writing of its intent to begin submitting simplified annual reports for affiliated local labor organizations;

(5) The national organization files the terminal report required by 29 CFR 403.5(a) on Form LM-3 or LM-4, as may be appropriate, clearly labeled on the form as a terminal report, for any local labor organization which has lost its identity through merger, consolidation, or otherwise if the national organization filed a simplified annual report on behalf of the local labor organization for its last reporting period; and

(6) The national organization with which it is affiliated assumes responsibility for the accuracy of, and submits with its annual report and the simplified annual reports for the affiliated local labor organizations, the following certification properly completed and signed by the president and treasurer of the national organization:

CERTIFICATION

We, the undersigned, duly authorized officers of [name of national organization], hereby certify that the local labor organizations individually listed on the attached documents come within the purview of 29 CFR 403.4(b) for the reporting period from [beginning date of national organization's fiscal year] through [ending date of national organization's fiscal year], namely:

- (1) they are local labor organizations;
- (2) they are not in trusteeship;
- (3) they have no

assets, liabilities, receipts, or disbursements; (4) they are governed by a uniform constitution and bylaws, and fifty copies of the most recent uniform constitution and bylaws have been filed with the Office of Labor-Management Standards; (5) they have no governing rules of their own; and (6) they are subject to the following uniform schedule of fees and dues: [specify schedule for dues, initiation fees, fees required from transfer members, and work permit fees, as applicable].

Each document attached contains the specific information called for in 29 CFR 403.4(b)(3)(i)-(v), namely: (i) the local labor organization's name and designation number; (ii) the file number assigned the organization by the Office of Labor-Management Standards; (iii) the local labor organization's mailing address; (iv) the beginning and ending date of the reporting period; and (v) the names and titles of the president and treasurer or corresponding principal officers of the local labor organization as of [the ending date of the national organization's fiscal year].

Furthermore, we certify that the terminal reports required by 29 CFR 403.4(b)(5) and 29 CFR 403.5(a) have been filed for any local labor organizations which have lost their identity through merger, consolidation, or otherwise on whose behalf a simplified annual report was filed for the last reporting period.

(FORMAT FOR SIMPLIFIED ANNUAL REPORTING)

SIMPLIFIED ANNUAL REPORT

Affiliation name: \_\_\_\_\_

Designation name and number: \_\_\_\_\_

Unit name: \_\_\_\_\_

Mailing address: \_\_\_\_\_

Name of person: \_\_\_\_\_

Number and street: \_\_\_\_\_

City, State and zip: \_\_\_\_\_

File number: \_\_\_\_\_

Period covered: \_\_\_\_\_

From \_\_\_\_\_ Through \_\_\_\_\_

Names and Titles of president and treasurer or corresponding principal officers \_\_\_\_\_

For certification see NHQ file folder file number: \_\_\_\_\_

President \_\_\_\_\_

Where signed \_\_\_\_\_

Date \_\_\_\_\_

Treasurer \_\_\_\_\_

Where signed \_\_\_\_\_

Date \_\_\_\_\_  
 [28 FR 14383, Dec. 27, 1963, as amended at 37 FR 10669, May 26, 1972; 41 FR 27318, July 2, 1976; 45 FR 7525, Feb. 1, 1980; 50 FR 31309, Aug. 1, 1985; 50 FR 31310, Aug. 1, 1985; 57 FR 49290, 49357, Oct. 30, 1992; 62 FR 6092, Feb. 10, 1997; 64 FR 71623, Dec. 21, 1999; 65 FR 21141, Apr. 20, 2000]

**§ 403.5 Terminal financial report.**

(a) Any labor organization required to file a report under the provisions of this part, which during its fiscal year loses its identity as a reporting labor organization through merger, consolidation, or otherwise, shall, within 30 days after such loss, file a terminal financial report with the Office of Labor-Management Standards, on Form LM-2, LM-3, or LM-4, as may be appropriate, signed by the president and treasurer or corresponding principal officers of the labor organization immediately prior to the time of its loss of reporting identity.

(b) Every labor organization which has assumed trusteeship over a subordinate labor organization shall file within 90 days after the termination of such trusteeship on behalf of the subordinate labor organization a terminal financial report with the Office of Labor-Management Standards, on Form LM-2 and in conformance with the requirements of this part.

(c) For purposes of the reports required by paragraphs (a) and (b) of this section, the period covered thereby shall be the portion of the labor organization's fiscal year ending on the effective date of its loss of reporting identity, or the portion of the subordinate labor organization's fiscal year ending on the effective date of the termination of trusteeship over such subordinate labor organization, as the case may be.

(d) If a trust in which a labor organization with \$250,000 or more in annual receipts is interested loses its identity through merger, consolidation, or otherwise, the labor organization shall, within 30 days after such loss, file a terminal report on Form T-1, with the Office of Labor-Management Standards, signed by the president and treasurer or corresponding principal officers of the labor organization. For purposes of the report required by this paragraph, the period covered thereby shall

be the portion of the trust's fiscal year ending on the effective date of the loss of its reporting identity.

[28 FR 14383, Dec. 27, 1963, as amended at 50 FR 31309, 31310, Aug. 1, 1985; 62 FR 6092, Feb. 10, 1997; 68 FR 58447, Oct. 9, 2003]

**§ 403.6 Personal responsibility of signatories of reports.**

Each individual required to sign a report under section 201(b) of the Act and under this part shall be personally responsible for the filing of such report and for any statement contained therein which he knows to be false.

**§ 403.7 Maintenance and retention of records.**

Every person required to file any report under this part shall maintain records on the matters required to be reported which will provide in sufficient detail the necessary basic information and data from which the documents filed with the Office of Labor-Management Standards may be verified, explained or clarified, and checked for accuracy and completeness, and shall include vouchers, worksheets, receipts, and applicable resolutions, and shall keep such records available for examination for a period of not less than five years after the filing of the documents based on the information which they contain.

**§ 403.8 Dissemination and verification of reports.**

(a) Every labor organization required to submit a report under section 201(b) of the Act and under this part shall make available to all its members the information required to be contained in such reports, and every such labor organization and its officers shall be under a duty to permit such member for just cause to examine any books, records, and accounts necessary to verify such report.

(b)(1) If a labor organization is required to file a report under this part using the Form LM-2 and indicates that it has failed or refused to disclose information required by the Form concerning any disbursement, or receipt not otherwise reported on Statement B, to an individual or entity in the amount of \$5,000 or more, or any two or more disbursements, or receipts not