

**QUALIFIED DOMESTIC RELATIONS ORDER
(QDRO) PROCEDURES**

FOR THE

**EIGHTH DISTRICT ELECTRICAL PENSION
FUND ANNUITY PLAN**

PROCEDURES FOR DETERMINATION AND ADMINISTRATION OF A QUALIFIED DOMESTIC RELATIONS ORDER

I. Introduction

A pension plan cannot pay out retirement benefits to an Alternate Payee without a Qualified Domestic Relations Order (or QDRO). For a Domestic Relations Order, defined below, to be “qualified,” it must conform to certain requirements of the law and to the Eighth District Electrical Pension Fund Annuity Plan (the “Plan”).

The purpose of these Qualified Domestic Relations Order (“QDRO”) Procedures is to establish a reasonable and consistent process for determining whether or not a Domestic Relations Order qualifies under Section 414(p) of the Internal Revenue Code (the “Code”) and Section 206(d)(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and for administering distributions pursuant to a Qualified Domestic Relations Order pursuant to those sections of the Code and ERISA.

II. Definitions

A. Alternate Payee

The term “Alternate Payee” means any spouse, former spouse, child or other dependent of a Participant who is recognized by a Domestic Relations Order as having a right to receive all, or a portion of, the benefits payable under a plan with respect to such Participant as defined in Code Section 414(p) and ERISA Section 206(d)(3). This term includes any former spouse, child, or other dependent of a Participant who was recognized by a previous QDRO as having rights under the Plan.

B. Domestic Relations Order

A Domestic Relations Order is any order, judgment or decree issued pursuant to a State domestic relations law that provides for the provision of child support, alimony payments, or marital property rights to an Alternate Payee. A property settlement agreement which has not been approved by a court is not a Domestic Relations Order.

C. Plan

The term “Plan” means the Eighth District Electrical Pension Fund Annuity Plan.

D. Other Terms

All other terms, including the terms “Participant,” “Plan Administrator,” and “Individual Account” shall have the same meaning as the terms are used and defined in the Plan document.

III. Prior to Receipt of Domestic Relations Order

Prior to the Plan’s receipt of a Domestic Relations Order, if the Plan receives written notice from a Participant or from a potential Alternate Payee that: (a) a domestic relations action (including divorce) is pending and/or a Participant and potential Alternate Payee are seeking a Domestic Relations Order; (b) the Plan will be receiving a Domestic Relations Order as a result of the action described in (a); and (c) Plan assets will be a source of payment under the Domestic Relations Order, the Plan will apply the following procedures:

A. Suspension of Distributions

If the Plan receives notice satisfying the requirements of the preceding paragraph, all benefit applications will be put on hold and no payment will be made until the Plan receives written confirmation from the Alternate Payee or the Alternate Payee's attorney that a Domestic Relations Order will not be submitted. In addition, the Plan Administrator will suspend distributions to the Participant to the extent necessary to protect the Alternate Payee's share of such distributions based on the notice provided.

B. Ninety-day Limitation

If, after 90 days from the receipt of such notice the Plan has not received a Domestic Relations Order relating to the Participant's benefits, the Plan Administrator will cancel the suspension of Participant distributions and will administer the Plan as if the Plan had not received the notice.

If, during the 90-day period, the Plan receives a Domestic Relations Order relating to the Participant, the Plan Administrator will proceed to determine the qualified status of the Domestic Relations Order under Section IV of these Procedures.

Before or after the expiration of the 90-day period, the Participant or potential Alternate Payee, may provide the Plan Administrator a subsequent notice. If the subsequent notice satisfies the notice requirements described above, the Plan will apply the provisions of this Section III with respect to the subsequent notice.

C. Right to Review

Upon receiving notice of a domestic relations action, the Plan Administrator shall make available to prospective Alternate Payees the following information:

1. These QDRO Procedures, with the model QDROs attached;
2. The Plan's Summary Plan Description;
3. The current Plan document (along with any amendments); and
4. A statement of the Participant's benefit entitlements.

IV. Procedures Following Receipt of Domestic Relations Order

A. Notice and Delivery of QDRO Procedures to Participant and to Alternate Payees

Within a reasonable amount of time after receipt of a Domestic Relations Order, the Plan Administrator will:

1. Notify the Participant, the Alternate Payee, and any Alternate Payee named in any other QDRO previously received by the Plan of the receipt of the Domestic Relations Order; and
2. Deliver to the Participant and to each Alternate Payee a copy of these QDRO Procedures.

If the Domestic Relations Order is submitted by a Participant's or Alternate Payee's attorney, or the Plan Administrator is otherwise advised that the parties have retained an attorney, the Plan Administrator shall communicate directly with that attorney, and any such communication shall constitute communication with the individual Participant or Alternate Payee.

B. Contents of Notice

The notice to the Participant and each Alternate Payee shall state that:

1. A Domestic Relations Order was received by the Plan;
2. The Plan will determine whether the Domestic Relations Order is qualified;
3. The Participant or the Alternate Payee must submit any information they would like the Plan to consider in making its determination within 30 days;
4. The Plan may require either the Participant or the Alternate Payee to provide additional information or documents that the Plan may need to make its determination; and that
5. The Plan will promptly notify the Participant and the Alternate Payee of the Plan's determination.

A sample "Notice of Receipt of Domestic Relations Order" is attached hereto as Appendix A.

C. Review of Order

The Plan Administrator will then forward a copy of the Domestic Relations Order and any supporting documentation to the Plan's legal counsel for review. At this time, the Plan Administrator will also review the Participant's employment records and Plan records to determine if a previous QDRO exists under the Plan with respect to the Participant. In the event such a QDRO exists, the Plan Administrator shall advise legal counsel.

Legal counsel shall complete its review of the Domestic Relations Order and inform the Plan Administrator of its findings within a reasonable amount of time, generally, under normal circumstances, within 30 days after receiving the Domestic Relations Order from the Plan Administrator.

The Plan Administrator or the Plan's legal counsel may require the Participant or Alternate Payee to submit any additional information or documents deemed by the Plan Administrator or the Plan's legal counsel to be necessary or appropriate to consider in its determination. If requested, that information must be submitted within 30 days.

D. Separate Accounting During Determination

Once the Plan Administrator has received a Domestic Relations Order, the Plan Administrator will immediately arrange for the separate accounting of the amounts which would have been payable to the Participant and the Alternate Payee under the proposed Domestic Relations Order. If a Domestic Relations Order has not been qualified within the 18-month period that begins on the first date on which a payment would be required to be made under the Domestic Relations Order following receipt by the Plan, the Plan Administrator will cease the separate accounting and all funds will revert to the Participant's Individual Account.

E. Suspension of Participant Distributions

If the Participant is or will soon be receiving benefits from the Plan at the time of receipt of the Domestic Relations Order, the Plan Administrator will ensure that distributions to the Participant are suspended to the extent the necessary to comply with the Domestic Relations Order should it be qualified. Suspension will continue until the earlier of: (a) the date the Plan determines that

the Domestic Relations Order is qualified; or (b) the end of the 18-month period that begins on the first date on which a payment would be required to be made under the Domestic Relations Order following receipt by the Plan. If a Domestic Relations Order has not been qualified within the 18-month period described above, the Plan Administrator will withdraw the suspension.

V. Requirements for a Domestic Relations Order to be Qualified.

A Domestic Relations Order shall be qualified if it satisfies *all* of the following requirements:

1. It clearly specifies the name and last known mailing address of the Participant and each Alternate Payee;
2. It clearly specifies that it applies to the Eighth District Electrical Pension Fund Annuity Plan;
3. It clearly specifies the dollar amount or percentage of the benefit to be paid to the Alternate Payee;
4. It indicates whether any outstanding loan balance is to be included or excluded in determining the amount that is subject to division. If the Order is silent as to whether the outstanding loan balance will be included or excluded in determining the amount that is subject to division, the outstanding loan balance will be included in the benefit calculation and the loan will remain an asset of the Participant's account;
5. It clearly specifies the number of payments or time period to which the Order applies;
6. It does not require the Plan to provide an Alternate Payee or Participant with any type or form of benefit, or any option, not otherwise provided under the Plan;
7. It does not require the Plan to provide for benefits that exceed what the Participant or Alternate Payee may receive under existing Federal law or the terms of the Plan (determined on the basis of actuarial value); and
8. It does not require the payment of benefits to an Alternate Payee which are required to be paid to another Alternate Payee under another order previously determined to be a QDRO.

VI. Procedures Following Determination

- A.** If it is determined that the Domestic Relations Order is a QDRO, the following procedures apply:
1. The Plan's legal counsel will notify the Plan Administrator, the Participant and each Alternate Payee that the proposed Domestic Relations Order is a QDRO and that the Plan shall comply with its terms.
 2. As soon as administratively feasible, but in any event, no more than 5 business days after the QDRO determination, the Plan Administrator shall make the necessary arrangements in order for the amount assigned to the Alternate Payee pursuant the terms of the QDRO to be withdrawn from the Participant's Individual Account and placed in a separate account under the Plan to be maintained for the benefit of the Alternate Payee.
 3. Following the segregation of accounts, as outlined in Section VI.A.2 above, unless otherwise specified in the QDRO, each Alternate Payee:
 - a. Shall be entitled to file with the Plan a beneficiary designation in the same manner as a Participant;

- b. Shall have the same authority to direct the investment of the amounts held in the Alternate Payee's account in accordance with the Plan terms as the Participant has with respect to amounts held in the Participant's Individual Account;
 - c. Shall receive all notices and other communications that the Participant is entitled to receive; and
 - d. May elect any form of benefit payment permitted under the Plan other than a qualified joint and survivor annuity with a current spouse as beneficiary.
- B. If it is determined that the Domestic Relations Order is not a QDRO, the following procedures apply:
 - 1. Within a reasonable time of its determination, the Plan's legal counsel will advise the Plan Administrator, the Participant, and each Alternate Payee of the adverse decision and of the reasons for the adverse decision.
 - 2. If the Participant is not entitled to or has not requested a present distribution of any of the segregated benefits, the Plan will continue to account for the Participant's benefits as if the Plan had not received the Domestic Relations Order.
 - 3. In the absence of a QDRO, an Alternate Payee's share is only subject to separate accounting for the 18-month period that begins on the first date on which a payment would be required to be made under the Domestic Relations Order following receipt by the Plan. If the Domestic Relations Order is not determined to be a QDRO within this period, the Plan Administrator will pay the segregated amounts (including any interest accrued) to the Participant or to any other person who would have been entitled to such payment in the absence of a Domestic Relations Order. The Trustees may delay this distribution if they have sufficient reason to believe that a modified or amended Domestic Relations Order is forthcoming for further determination of qualification.
- C. If either the Participant or Alternate Payee disagrees with the determination, an appeal may be filed in accordance with the Plan's Claims Appeal procedures. The Claims Appeal procedures may be obtained by contacting the Plan.

VII. Preapproval of Domestic Relations Orders

To avoid multiple filings with the court, it is advisable for the Participant and/or the Alternate Payee to send the Plan a draft Domestic Relations Order for review before presenting it for a judge's signature. If the draft Domestic Relations Order is qualified, the Plan will write a letter stating it will accept the Domestic Relations Order as a QDRO and will follow its instructions once the Plan receives a final copy of the Domestic Relations Order signed by a judge. Although the Plan will pre-approve draft Domestic Relations Orders, the Plan may only honor a Domestic Relations Order that has been filed with the Court, signed by a judge, and accepted as a QDRO by the Plan. A Domestic Relations Order pre-approved by the Plan is not a valid QDRO until issued by the Court and then qualified by the Plan.

If the draft Domestic Relations Order submitted to the Plan is not qualified, the Plan will send a letter that explains the reasons the Order did not qualify. Any Domestic Relations Order determined not qualified must be revised and resubmitted for a new determination.

VIII. Model QDRO

To assist with the drafting of QDROs the Plan has prepared a Model QDRO, attached hereto as Appendix B.

IX. Determination Expenses

All reasonable expenses associated with the QDRO determination process are charged back to the parties and deducted from the amounts assigned under the QDRO. Unless the QDRO specifies otherwise, determination expenses will be charged to the Participant's and Alternate Payee's accounts in an amount equal to one-half of all reasonable expenses (i.e., each party shall be charged 50% of reasonable expenses).

X. Additional Procedural Matters

Neither the Participant nor the Alternate Payee may bring a lawsuit against the Plan regarding an Order's qualified status unless an order has been submitted, a determination has been made or the time to make a determination has passed, and all possible appeals have been exhausted.

Any notices sent to the Participant or Alternate Payee shall be in writing and either personally delivered or sent by United States mail (pre-paid, first class) to the last known address on file with the Plan. The Plan will not send notices to any other party or address unless instructed to do so in writing.

As previously mentioned, if an Alternate Payee has an attorney and that attorney is sending communications directly to the Plan, the Plan will correspond directly with the attorney. If an Alternate Payee wants correspondence to go both to him/her and to his/her attorney, the Alternate Payee must send the Plan a written request.

All references to days in these Procedures shall be construed as calendar days except where specified otherwise. If the end of any prescribed period falls on a Saturday, Sunday, or federal holiday, such period shall instead end on the next immediate business day.

Appendix B

IN THE _____ COURT OF _____ COUNTY,
IN THE STATE OF _____

)	
)	
Petitioner,)	
)	
vs.)	Case No. _____
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)	
)	
)	
Respondent.)	
)	
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QUALIFIED DOMESTIC RELATIONS ORDER

IT IS HEREBY ORDERED AS FOLLOWS:

1. **Effect of This Order as a Qualified Domestic Relations Order:** This Order creates and recognizes the existence of an Alternate Payee's right to receive a portion of the Participant's benefits payable under a multiemployer defined contribution plan that is qualified under Section 401 of the Internal Revenue Code (the "Code") and the Employee Retirement Income Security Act of 1974 ("ERISA"). It is intended to constitute a Qualified Domestic Relations Order ("QDRO") under Section 414 (p) of the Code and Section 206 (d)(3) of ERISA.

2. **Participant Information:** The name, last known address, social security number and date of birth of the plan "Participant" is:

Name:
Address:
Social Security Number:
Birth Date:

3. **Alternate Payee Information:** The name, last known address, social security number and date of birth of the "Alternate Payee" is:

Name:
Address:
Social Security Number:
Birth Date:

The Alternate Payee shall have the duty to notify the Plan Administrator in writing of any changes in mailing address subsequent to the approval of this Order by the Plan.

4. **Plan Name:** The name of the Plan to which this Order applies is the **Eighth District Electrical Pension Fund Annuity Plan** (hereinafter referred to as "Plan"). Further, any successor plan to the Plan or any other plan(s) to which liability for provision of the Participant's benefits described below is incurred, shall also be subject to the terms of this Order.

Any changes in Plan Administrator, Plan Sponsor or name of the Plan shall not affect Alternate Payee's rights as stipulated under this Order.

5. **Pursuant to State Domestic Relations Law:** This Order is entered pursuant to the authority granted in the applicable domestic relations laws of the State of _____.
6. **Dates of Marriage and Separation or Divorce:** The Participant and the Alternate Payee (collectively, the "Parties") were married on _____. The Parties were physically separated or legally divorced on _____.
7. **Dates of Participation in the Plan:** The records of the Plan indicate that the Participant participated in the Plan from _____ through _____.
8. **For Provision of Marital Property Rights:** This Order relates to the provision of marital property rights and/or spousal support to the Alternate Payee as a result of the Order of Dissolution of Marriage between Participant and the Alternate Payee.
9. **Amount of Alternate Payee's Benefit:** Pursuant to IRC Sections 401(a)(13) and 414(p)(1)(A) and (B), and ERISA Section 206(d)(3), and in accordance with domestic relations law, the Alternate Payee is hereby assigned the Participant's right, title and interest in and to the Plan, as set forth below:

- a. The Alternate Payee is awarded an amount equal to _____ percent (____%) of the amount in Participant's Individual Account as of the most recent Valuation Date prior to _____, 20____. It is expressly recognized and understood that Alternate Payee's share shall not be increased by any subsequent employer contributions received on Participant's behalf. However, Alternate Payee's share shall be adjusted upward or downward by a proportionate share of any subsequent earnings or losses incurred by the Plan.

If the Participant's account balance in the Plan includes an outstanding loan balance, the loan will remain an asset of the Participant's account. The amount of such outstanding loan balance **will be included** in the Participant's total account balance for purposes of calculating the account balance to be divided to the Alternate Payee under this Order.

10. **Commencement Date and Form of Payment to Alternate Payee:** The Alternate Payee shall be eligible to commence benefits as set forth in the Plan and in any form permitted by the plan other than a qualified joint and survivor annuity with a current spouse as beneficiary. If the Participant should die prior to the earlier of commencement of benefits to the Alternate Payee or the Participant, then no benefits will be paid to the Alternate Payee under this paragraph (though benefits may be payable under Section 11 of this Order).

Alternate Payee shall have no rights with respect to Participant's election of form of payment or date of commencement of Participant's benefits under the Plan.

11. **Treatment of Alternate Payee as Surviving Spouse for Purposes of Determining Qualified Preretirement Survivor Annuity as Such Term is defined in Section 417 of the Code:** In the event that the Participant predeceases the Alternate Payee prior to the date of benefit commencement to either the Participant or the Alternate Payee, such Alternate Payee shall be designated as the surviving spouse of the Participant for purposes of establishing Alternate Payee's entitlement to receipt of the monthly preretirement death benefit payable under the Plan. For purposes of determining the eligibility for such surviving spouse benefits, the Alternate Payee and the Participant have satisfied the one (1)

year marriage requirement as enumerated in Sections 401(a)(11) and 417(d) of the Code and as may be required under the provisions of the Plan.

This designation applies only to the extent of the marital portion of the Participant's Individual Account. The marital portion of the Participant's Individual Account shall be defined as those benefits which accumulated during the period set forth in Section 6. If Participant is remarried at death, this designation preempts the current spouse's right to any preretirement surviving spouse death benefits that are attributable to the marital portion of the Participant's Individual Account.

12. **Death of Alternate Payee:** If Alternate Payee predeceases Participant prior to the commencement of the Alternate Payee's benefits, Alternate Payee's portion of Participant's benefits shall be paid to the Alternate Payee's designated beneficiary. Should Alternate Payee die without having designated a beneficiary, benefits will be paid in accordance with the Plan's normal procedures for paying benefits in absence of a beneficiary.
13. **Savings Clause:** This Order is not intended, and shall not be construed in such a manner as to require the Plan:
 - (a) to provide any type or form of benefit option not otherwise provided under the terms of the Plan;
 - (b) to require the Plan to provide increased benefits determined on the basis of actuarial value; or
 - (c) to require the payment of any benefits to the Alternate Payee that is required to be paid to another alternate payee under another order that was previously deemed to be a QDRO.
14. **Certification of Necessary Information:** All payments made pursuant to this Order shall be conditioned on the certification by the Alternate Payee and the Participant to the Plan Administrator of such information as the Plan Administrator may reasonably require from such parties to make the necessary calculation of the benefit amounts contained herein.
15. **Continued Qualified Status of Order:** It is the intention of the parties that this QDRO continue to qualify as a QDRO under Section 414 (p) of the Code, as it may be amended from time to time, and that the Plan Administrator shall reserve the right to reconfirm the qualified status of the Order at the time benefits become payable hereunder.
16. **Tax Treatment of Distributions Made Under this Order:** All benefits paid to Alternate Payee pursuant to this Order shall be taxed to Alternate Payee's social security number.
17. **Determination Expenses:** The Alternate Payee's share of Plan benefits, as prescribed herein, shall, in accordance with the terms of the Plan, be subject to reduction in an amount equal to one-half of all reasonable determination expenses.
18. **Constructive Receipt:** In the event that the Plan inadvertently pays to the Participant any benefits that are assigned to the Alternate Payee pursuant to the terms of this Order, the Participant shall immediately reimburse the Alternate Payee to the extent of such benefit payments, and shall forthwith pay such amounts so received directly to the Alternate Payee within ten (10) days of receipt.
19. **Continued Jurisdiction:** The court shall retain jurisdiction with respect to this Order to the extent required to maintain its qualified status and the original intent of the parties as stipulated herein.

IT IS SO ORDERED.

Judge of the _____ Court

Dated

APPROVED:

Participant

Attorney for Participant

Alternate Payee

Attorney for Alternate Payee