

**PROCEDURES OF THE BOARD OF TRUSTEES OF THE
ARIZONA PIPE TRADES PENSION TRUST FUND
AND ARIZONA PIPE TRADES DEFINED BENEFIT TRUST FUND
FOR TREATMENT OF DOMESTIC RELATIONS ORDERS**

1. **Intent and construction.** These Procedures are adopted by the Trustees in order to satisfy the requirements of Section 206 of the Employee Retirement Income Security Act, P.L. 93-406, as amended by the Retirement Equity Act of 1984, P.L. 98-397, and the Tax Reform Act of 1986, P.L. 99-514. They are to be construed consistently with that purpose.

2. **Definitions.** As used in these Procedures, unless the context indicates otherwise, the following terms shall have the following meanings:
 - a. “Participant” means any employee or former employee of an employer obligated to contribute to the Plans on behalf of a participant, or any member or former member of an employee organization dealing with employers concerning the Plans or organized for the purpose of establishing the Plans, who is or may become eligible to receive a benefit of any type from the Plans.

 - b. “Domestic relations order” means any judgment, decree, or order (including approval of a property settlement agreement) which -
 - (i) relates to the provision of child support, alimony payments or marital property rights to a spouse, former spouse, child, or other dependent of a participant, and

 - (ii) is made pursuant to a state domestic relations law (including a community property law).

 - c. “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 benefit payable under the Plans with respect to such participant.

 - d. “Qualified domestic relations order” means a domestic relations order that creates or recognizes the existence of an alternate payee’s right (or assigns to an alternate payee the right) to receive all or a portion of the benefits payable with respect to a participant in the Plans, provided that the order-
 - (i) clearly specifies -
 - a) the name and last known mailing address (if any) of the participant and the name and mailing address of each alternate payee covered by the order;

- b) the amount or percentage of the participant's benefits to be paid by the Plans to each such alternate payee, or the manner in which such amount or percentage is to be determined.
 - c) the number of payments or the period to which such order applies; and
 - d) the identity of the Plans; and
- (ii) does not require -
- a) the Plans to provide any type or form of benefit, or any option, not otherwise provided under the Plans;
 - b) the Plans to provide increased benefits (determined on the basis of actuarial value), or
 - c) the payment of benefits to an alternate payee that are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order.
- e. "Plans" means the Arizona Pipe Trades Defined Benefit Trust Fund and the Arizona Pipe Trades Defined Contribution Trust Fund.

3. **Notice.** Upon the Plans' receipt of a domestic relations order with respect to a participant, the administrative office shall promptly notify the participant and each person specified in the order as entitled to payment of any plan benefits under the order that:

- a. The order has been received, and
- b. It is under examination for purposes of determining whether it is a "qualified" domestic relations order.

Such notice shall include a copy of these Procedures.

4. **Determination.**

- a. Within a reasonable time after a domestic relations order is received, the administrative office shall determine whether it is a "qualified" domestic relations order. The administrative office shall have the right to require from the participant and any alternate payee such evidence as it may reasonably need to make the determination.
- b. The administrative office shall notify the participant and any alternate payee of its determination. Any notice that the domestic relations order has been determined to not be qualified shall specify the defects in the Order.

- c. The participant or any alternate payee may appeal the administrative office's determination to the Board of Trustees upon written application to the administrative office. The participant or other appellant may review any documents pertinent to the appeal and may submit issues and comments in writing to the Trustees. No appeal shall be considered unless it is received by the administrative offices within sixty (60) days after receipt by the appellant of written notice of the determination. The Trustees shall decide the appeal within sixty (60) days after it is received, if special circumstances require an extension of time for processing, a decision shall be rendered as soon as possible, but not later than 120 days after the appeal is received. If such extension of time for deciding the appeal is required, written notice of the extension shall be furnished to the participant prior to the commencement of the extension. The Trustees' decision shall be in writing and shall include specific reasons for the decision, expressed in a manner calculated to be understood by the participant and the alternate payee.
 - d. The participant or any alternate payee may at any time notify the administrative offices if they intend to seek modification of the Order to cure any defects. In order to preserve the right to segregation of payments (as set forth in paragraph 5 of these Procedures), any such notice must be received by the administrative office within sixty (60) days of receipt of written notice of the administrative office's determination or the Trustees' decision.
 - e. Failing timely notice of intent to modify under Subsection (d) of this paragraph 4, or timely appeal under Subsection (c), the administrative office's determination shall be deemed final.
5. **Payments pending determination.** If, after receipt by the administrative office of a domestic relations order, amounts are or become payable under the order to an alternate payee, the Fund shall segregate in a separate account in the Fund the amounts that would have been payable to the alternate payee during such period if the order had been determined to be a qualified domestic relations order.

The Fund shall continue to hold the segregated amounts in a separate account during the period beginning on the date on which the first payment would be required to be made under the domestic relations order and ending on the earliest of:

- a. the date the order or any modification of it is determined to be a qualified domestic relations order;
- b. if the parties do not give timely notice of intent to have the Order modified or timely notice of appeal, the date after the last day the parties may give such notice; or
- c. the date 18 months after the date on which the first payment would be required to be made under the domestic relations order.

Notwithstanding the foregoing, if the administrative office receives a domestic relations order, and before any amounts are or become payable to an alternate payee under it, it is determined that the order is not qualified, and the appeal and modification notice time limits set forth in paragraph 4(c) and (d) expire, the Fund shall not segregate payments under this paragraph.

Upon determination that the domestic relations order is a qualified domestic relations order, any appropriate amounts segregated under this paragraph shall be paid to the person or persons entitled to them under the order.

With respect to an order determined to not be qualified, if the parties do not timely notify the Trustees that they will seek to cure defects in the order, or if 18 months pass from the date on which the first payment would be required to be made under the order, amounts segregated under this paragraph shall be paid to the person or persons who would have been entitled to such amounts if there had been no order.

6. Representative of alternate payee. An alternate payee may, by written notice to the Board of Trustees, designate a representative for receipt of copies of notices that are sent to the alternate payee with respect to a domestic relations order.