

DETERMINATION PROCEDURES
under the
INTERNATIONAL UNION, UNITED MINE WORKERS OF AMERICA
PENSION PLAN
for a
QUALIFIED DOMESTIC RELATIONS ORDER

The International Union, United Mine Workers of America Pension Plan ("the Plan") applies the following procedures when determining whether a domestic relations order is a "qualified domestic relations order" ("QDRO"), as defined by Section 206(d) of the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. 1056(d), and in administering distributions under a QDRO to an alternate payee.

1. What is a Domestic Relations Order?

A domestic relations order is any order, judgment or decree (including approval of a property settlement agreement) which is made pursuant to a state domestic relations law or community property law relating to the provision of child support, alimony payments, or marital property rights to a spouse, a former spouse, a child, or other dependent of the participant.

2. Receipt of a Domestic Relations Order.

When a domestic relations order is received by the Plan, the Plan Administrator shall apply the following procedures:

The Plan Administrator shall promptly notify the participant and any alternate payee specified in the order, at the address included therein, of the receipt of the order, and provide each with a copy of the Plan's procedures for determining the qualified status of the order.

Any alternate payee specified in the order may designate a representative to receive copies of notices sent by the Plan Administrator to that alternate payee regarding the order.

Within a reasonable period after receipt of the order, the Plan Administrator shall determine whether the order is qualified and notify the participant and any alternate payee of its determination. The following criteria are applied to determine whether an order is "qualified":

- a. Recognition of Alternate Payee -- the order must create or recognize the existence of an alternate payee's right, or assign to an alternate payee the right, to receive all or a portion of the benefits payable to a participant under the Plan. An alternate payee can be a spouse, a former spouse, a child or other dependent of the participant.

b. Specification of Certain Facts -- the order must clearly specify:

- i. the names, Social Security numbers, dates of birth, and last known mailing addresses of both the participant and of each alternate payee covered by the order;
- ii. the legal name of each plan to which the order applies, and its federal plan identification number (this Plan is the International Union, United Mine Workers of America Pension Plan, Plan # 001);
- iii. the names and addresses of the Plan Administrator and Sponsor (for this Plan, it is the International Union, United Mine Workers of America, 18354 Quantico Gateway Drive, Suite 200, Triangle, VA 22172);
- iv. the amount or percentage of the participant's benefits to be paid by the Plan to each alternate payee, or the manner in which such amount or percentage is to be determined; and
- v. the number of payments or period to which such order applies.

A domestic relations order will not qualify as a QDRO if it requires the Plan to provide any type or form of benefit or option not otherwise provided under the Plan, requires the Plan to provide increased benefits, or requires that the Plan pay benefits to an alternate payee that are already required to be paid to another alternate payee under another QDRO.

A domestic relations order, however, will not fail to qualify as a QDRO because it provides that payments are to begin on or after the date on which the participant reaches the "earliest retirement age," even though the participant may not have actually retired on that date. The "earliest retirement age" is the earlier of (1) the earliest date on which the participant is entitled to a distribution under the terms of the Plan (age 55 with five years of service or following termination of employment after five years of service) or (2) the date as defined in Section 414(p)(4)(B) of the Internal Revenue Code, which is the later of (a) the date the participant reaches age 50 or (b) the earliest date on which the participant could begin receiving benefits from the Plan if the participant separated from service.

A participant or alternate payee may submit a proposed domestic relations order to the Plan Administrator before it is entered by a court and ask the Plan Administrator to review such order and advise whether it would qualify as a QDRO.

3. Segregation and Payment of Certain Benefits.

While the domestic relations order's status as a QDRO is being determined by the Plan Administrator, the Plan shall defer the payment of any benefits to the participant that would be payable to the alternate payee during such period if the order had been determined to be a QDRO. Payments to a participant shall be deferred by the Plan Administrator only upon receipt of an

order. The Plan Administrator shall segregate and separately account for any deferred payments.

If the domestic relations order, or a modification thereof, is determined to be a QDRO within 18 months after the first payment would be required to be made under the order, the Plan shall pay the segregated amounts to the person or persons entitled to them under the order.

If the Plan Administrator determines that the order is not a QDRO or has not determined whether the order is a QDRO after the 18 month period has expired, the Plan shall pay the segregated amounts to the participant or person entitled to them as if there had been no order.

Any subsequent determination that an order is a QDRO will only apply prospectively. Thus, if the Plan Administrator determines that the order is a QDRO after the 18 month period beginning on the date the first payment would be required to be made under the order, the Plan will not be liable for payments to the alternate payee for the period before the order is determined to be a QDRO.

4. Method of Payment to Alternate Payee.

An alternate payee will be paid as provided by the QDRO as long as the specified method of payment is in accordance with the terms of the Plan. An alternate payee will not receive payments from the Plan prior to the "earliest retirement age" specified in Section 2(b) above.

5. Measurement of Benefits Payable.

Unless a QDRO specifically provides otherwise, payments to the alternate payee shall be computed on the basis of the participant's benefits as of the date of the order and shall not be recomputed to take into account subsequent benefit increases.

If the Plan Administrator receives a QDRO concerning a participant who is receiving early retirement payments, the payments to the alternate payee shall be computed by taking into account the subsidized early retirement benefits. If the participant is not on early retirement status when the QDRO payments are to begin, the amount to be paid to the alternate payee shall be calculated by using the participant's normal retirement benefit without regard to the early retirement subsidy, and by actuarially reducing that benefit based on the interest rate specified in the plan. If the participant actually begins receiving an early retirement benefit, the payments to the alternate payee shall not be recalculated to take into account the early retirement subsidy unless specifically provided in the QDRO.

6. Treatment of Former Spouse as Survivor.

A QDRO may provide that a former spouse of a participant is to be treated as a surviving spouse with regard to certain survivor benefits under the Plan such as the lump sum death benefit, the pre-retirement survivor annuity and the post-retirement joint and survivor annuity. A QDRO that designates a former spouse as the surviving spouse shall be honored by the Plan Administrator provided that a previously received QDRO does not make the same designation

for another former spouse. **In the absence of a QDRO designating a former spouse as the surviving spouse, the participant's spouse at the time of death shall receive the survivor benefits as provided under the Plan.**

7. Effect of QDRO on Participant's Receipt of Benefits.

When the participant reaches the earliest retirement age under the Plan, and elects to receive benefits, he or she will receive his or her benefits minus any payments which are owed to an alternate payee under a QDRO. No benefits shall be paid to a participant as a result of a QDRO prior to the earliest retirement age specified in 2(b).

All inquiries concerning QDROs should be addressed to the Plan Administrator at:

International Union, United Mine Workers of America
18354 Quantico Gateway Drive, Suite 200
Triangle, VA 22172

The telephone number of the International Union's Triangle, Virginia office is 703-291-2400.