

**Local 282 Annuity Trust Fund**  
**Procedures For Processing Domestic Relations Orders**

**I. Introduction**

These Procedures describe how domestic relations orders submitted to the Local 282 Annuity Trust Fund (the “Fund”) are processed.

The Procedures should be read in conjunction with the Fund’s Rules and Regulations (the “Plan”), a copy of which is available from the Fund Office. If the Procedures conflict in any way with the Plan, the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) or the Internal Revenue Code (the “Code”), the Plan, ERISA, and the Code shall supersede these Procedures.

The Fund is required to honor qualified domestic relations orders (“QDROs”), as described in these Procedures. The Fund is not required to honor any document that is not provided to the Fund, including a document provided to an affiliated fund, such as the Local 282 Pension or Welfare Trust Fund. The Fund is also not required to honor any domestic relations order (“DRO”) that relates to the account of a Participant who has commenced benefits in the form of an annuity paid by an insurance company, or a Participant who has already received his or her entire benefit in the form of a lump sum, or otherwise has no further benefits due from the Fund.

The Fund is also not required to modify or reverse any payment, transaction, or application of funds occurring before receipt of any document purporting to be a QDRO. The Fund shall not be liable for any such payment, transaction, or application of funds. Further, the Fund is not required to honor any document that does not comply with the Plan, such as a waiver of benefits in a divorce order or settlement that is not a QDRO.

If and when a Participant has elected to receive (whether by an affirmative election, or by default for failure to elect by one’s required beginning date) a distribution of his or her benefit from the Fund via the purchase of a contract by the Trustees from an insurance company, (i) the Trustees will have no further commitment or obligation to the Participant upon the purchase and distribution of the contract; and (ii) the Participant’s claim for a benefit from the Plan shall be deemed satisfied in full upon the purchase and distribution of the contract to the Participant.

**II. Terms**

*Trustees.* The term Trustees shall mean the Trustees of the Fund, who have the full and exclusive power, in their sole and absolute discretion, to construe the provisions of these Procedures and the Plan, and any construction adopted by or decision made by the Trustees under these Procedures in good faith shall be binding. The Trustees may delegate their responsibilities and authority hereunder.

*Domestic Relations Order.* A domestic relations order, or “DRO,” is any judgment, decree, or order (including approval of a property settlement agreement and a notice or order from a governmental child support enforcement agency) that relates to the provision of child support, alimony payments, or marital property rights to a spouse, as that term is defined under the Plan, former spouse, child, or other dependent of a Participant, and is made pursuant to a State domestic relations law (including a community property law).

*Qualified Domestic Relations Order.* The term “qualified domestic relations order” or “QDRO” means a DRO that (1) creates or recognizes the existence of an Alternate Payee’s right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable with respect to a Participant under a pension plan, and (2) meets statutory and other requirements set out herein.

*Proposed DRO.* The term “proposed DRO” means a draft DRO, which has not been issued or entered by a court or other authorized body. A “proposed DRO” is not a “DRO,” and the rules governing the Fund’s processing of proposed DROs are separately described in Part IV of these Procedures.

*Alternate Payee.* An Alternate Payee may be a spouse, former spouse, child, or other dependent of a Participant who is recognized by a QDRO as having a right to receive all, or a portion of, the benefits payable under a plan with respect to the Participant. A QDRO may also provide that benefits for an Alternate Payee who is a child are payable to a government child support collection agency.

*Valuation Date* – The term “Valuation Date” means the last business day of February of each Plan Year, February 28 or, when applicable February 29; and, effective beginning June 30, 2020, the last business day of each calendar quarter, and any additional date that the Trustees may, in their absolute discretion, determine in accordance with the Plan. A Valuation Date in a QDRO may not be after the date a signed QDRO is received by the Fund.

### **III. Types of QDROS**

*Shared Payment.* Under this type of QDRO (also known as the stream of payments QDRO), the actual account balance payable to the Participant is split, and the Alternate Payee receives part or all of each payment. Under this approach, the Alternate Payee will not receive a payment unless the Participant is entitled to a payment.

If the Participant has elected either a Lump Sum or a Fixed Term Annuity benefit, payments to the Alternate Payee will end when payments to the Participant end. Note that these forms of benefit are only available under a Shared Payment QDRO if payments to the Alternate Payee are stated as a percentage of each benefit payment made to the Participant.

If the Participant has elected a 50% Joint and Survivor, Lifetime or Qualified Optional Survivor Annuity, payments to the Alternate Payee end upon the earlier of the death of the Participant or the death of the Alternate Payee. The Alternate Payee may not designate a beneficiary for the portion of the benefit allocated to the Alternate Payee in the event the

Alternate Payee predeceases the Participant, and, upon the death of the Participant, the Alternate Payee's portion of the Participant's benefit ends. However, the QDRO may name the Alternate Payee as the surviving spouse of the Participant for all or part of the Participant's benefit, if the QDRO requires the Participant to elect a 50% Joint and Survivor or Qualified Optional Survivor Annuity, as defined in the Plan. The QDRO must include the portion of each payment to be paid to the Alternate Payee and when the payments begin and end.

*Separate Interest.* Most QDROs related to the Annuity Fund are Separate Interest QDROs. Under this type of QDRO, a portion of the Participant's account balance is payable to one or more Alternate Payee(s). Each Alternate Payee has a separate right to receive his or her portion of the value of the Participant's account balance, at a time and in a form chosen by the Alternate Payee, rather than at the time and in the form chosen by the Participant. The Separate Interest QDRO cannot be used if the Participant's benefit has commenced before there is a final determination with respect to the qualified status of the DRO. The DRO must specify the portion of the Participant's account balance to be paid to the Alternate Payee and when the payments may begin. After the DRO is determined to be a QDRO, the Alternate Payee may designate beneficiaries to receive amounts available after the Alternate Payee's death. The Alternate Payee may not elect a joint and survivor benefit with a subsequent spouse as the designated beneficiary. Benefits payable in the form of an annuity will be purchased by the Fund from an insurance company using the applicable account balance.

#### **IV. Proposed DROs**

The parties should submit a proposed DRO to the Fund before submitting it to court to be entered as a DRO. If the parties submit to the Fund a DRO that has already been entered by a court, and the Fund identifies changes that are required in order for the DRO to be a QDRO, the parties may be required to submit an amended DRO to the court to be entered.

The Fund will advise whether a proposed DRO submitted by a party or a legal representative would be a QDRO if submitted to the Fund as an actual DRO, and if any changes should be made. In reviewing the proposed DRO, the Trustees or their delegee may consult with Fund counsel or other advisors. The Trustees or their delegee will evaluate whether the proposed DRO would be qualified pursuant to the Plan, ERISA, the Code, and the Fund's "QDRO Guidelines," attached hereto.

The parties must submit a DRO to the Fund for final approval after it has been entered by the court.

#### **V. Receipt of DRO or Notice of a DRO, and Effect on Account and Payments**

The Fund applies different rules depending on whether it receives notice of a DRO or an actual DRO. These rules do not apply to receipt of non-written communications, and oral communications are insufficient to trigger any action by the Fund, other than a request for these Procedures.

For purposes of these Procedures, "Notice of a DRO" shall mean receipt by the Fund of a proposed DRO, or receipt of a written document that states that the parties intend to obtain a QDRO, or any other written document that explicitly states that the parties intend to

obtain a judgment, decree, or order that creates or recognizes the existence of an Alternate Payee's right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable with respect to the Participant from the Fund.

- A. *Receipt of Notice of DRO* – Upon receipt of notice of a DRO, the Fund will take the following steps:
1. *Acknowledgment to Affected Parties* – The Fund will acknowledge the receipt of a notice of a DRO to the Participant and all Alternate Payees identified in the notice. The acknowledgment will be in writing and consist of:
    - (a) a letter acknowledging when the notice was received, and an explanation of the hold described below that will be placed on the Participant's benefit, if applicable;
    - (b) a copy of the notice of a DRO received by the Fund; and
    - (c) a copy of these Procedures for processing DROs, along with the attached Guidelines.
  2. *Hold on Account* – Starting as soon as administratively feasible after receipt of notice of a DRO, and continuing for ninety (90) days, the Fund will place a hold on the full amount of the Participant's account balance and/or the distribution of the Participant's balance as well as on the disbursement of any plan loan. The hold may be extended beyond ninety days on written consent of the parties provided to the Fund. The Fund may unilaterally extend the ninety-day hold for an additional thirty (30) days, if necessary, on notice to all parties. If a DRO is not entered and received by the Fund within the ninety days, or such extended period, the Fund will treat the notice of a DRO as not having been received and will pay any amounts and/or disburse any approved loans as if no notice had been received. If at any time thereafter the Fund receives a DRO, the rules set out below in subsection B shall apply. If the Fund receives a DRO that is subsequently determined to be qualified, payments shall be made in accordance with the QDRO, but prospectively only.
  3. *Benefit Statement Request* - If the Fund receives a request for a benefit statement showing the Participant's account balance under the Plan or for other information relating to the interests of a Participant in the Plan from an Alternative Payee or an individual seeking to be established as an Alternate Payee (or his/her duly authorized representative), the Fund shall provide such information only with the written permission of the Participant or pursuant to a judicial order to provide such information or if the Alternate Payee provides a sworn and notarized statement that the request for information is made in connection with a domestic relations proceeding involving the Participant and the Alternate Payee submits an

appropriate court document indicating the parties are involved in such a proceeding. All responses to inquiries regarding the Participant's benefits will be made in writing. In the event that a dispute results from a determination by the Participant not to consent to a request for information, the Fund may, to the extent permitted by law, require the Participant to bear the expenses incurred by the Plan that result from such dispute

- B. *Receipt of DRO* – Upon receipt of a DRO, the Fund will take the following steps:
1. *Acknowledgment to Affected Parties* – The Fund will acknowledge receipt of the DRO to the Participant and all Alternate Payees identified in the DRO. The acknowledgment will be in writing and consist of:
    - (a) a letter acknowledging when the DRO was received and the status of the Participant's benefit entitlement during the review of the DRO including whether benefits will be segregated as discussed below;
    - (b) a copy of the DRO; and
    - (c) a copy of these Procedures for processing DROs, including the attached Guidelines, unless previously sent.
  2. *Segregating Accounts* – If the Participant is in pay status when the DRO is received by the Fund, or the Participant elects to commence benefits while the qualified status of the DRO is being determined, the Fund will, as soon as administratively feasible after receipt of the DRO, separately account for the amount that would be payable to the Alternate Payee(s) during such period, if such amount can be determined by the Fund from the DRO. The Fund shall continue to account separately for such amounts until the earlier of the date the Fund determines whether the DRO is qualified or the expiration of eighteen (18) months from the date the first payment would have been due had the DRO been a QDRO. If the DRO is determined to be a QDRO, upon the Alternate Payee's filing of an application for benefits in accordance with the requirements of the Plan, and becoming eligible for such benefits, any amounts that have been separately accounted by the Fund for the Alternate Payee will be paid to the Alternate Payee (subject to any investment gains or losses accrued on the account during the period). If, within eighteen months, the DRO is determined not to be a QDRO or no such determination is made, for any reason, any amounts held separately with respect to any Alternate Payee will be forwarded to the Participant (with interest subject to any investment gains or losses accrued on the account during the period).
  3. *Death of Participant before QDRO* - A QDRO can be entered regardless of death. If the Participant dies before qualification of the DRO is

determined, the Trustees may, in their sole discretion, pay such death benefits as are provided under the Plan less the Alternate Payee's estimated beneficial interest to the Participant's beneficiary(ies) in accordance with the Participant's beneficiary designation (if any) and applicable Plan terms. Thereafter, the Alternate Payee's beneficial interest shall be paid either to the Alternate Payee, or the Participant's designated beneficiary(ies) (or otherwise in accordance with the Plan where no designated beneficiary exists), depending upon whether or not the DRO is determined to be a QDRO.

## **VI. Determination of Qualification**

Within a reasonable period following receipt of a DRO, the Fund will review the DRO to determine if it is a QDRO and provide the following:

- A. *Determination Letter* – The parties' designated legal representatives, if any, or, if no such designation has been made, the Participant, all Alternate Payees, and any counsel for these parties of which the Fund has notice will receive a copy of the Determination Letter, which shall consist of the following:
  - 1. If the Fund determines that the DRO is a QDRO, the letter will describe the understanding of the Fund as to its provisions and effect. The determination will state the interpretations or assumptions of the Fund and how they pertain to the QDRO. The determination will also state that if the parties disagree with any of the interpretations of the Plan as set forth in the determination letter, they may appeal the interpretation to the Trustees, or have the QDRO amended to conform with their intent.
  - 2. If the DRO is found to be deficient, the letter will state in what respect the DRO is deficient and how it may be amended to qualify under applicable law and the Plan. The letter will also state that if the parties disagree with the determination of the Fund as to the failure of the DRO to qualify, they may appeal the determination to the Trustees, or they may have the DRO amended to conform with the Plan's requirements.
- B. *Failure to Make Determination* – If a final determination is not made within eighteen months from the receipt of the original DRO by the Fund office, any amounts held separately with respect to any Alternate Payee will be forwarded to the Participant (with interest subject to any investment gains or losses accrued on the account during the period). A determination that a DRO is a QDRO after the close of the eighteen-month period will be applied prospectively only.
- C. The Fund will not recognize any divorce decree, separation agreement, property settlement, restraining order, garnishment, attachment, execution or levy, submitted in lieu of a QDRO and that does not meet the requirements of a QDRO

by law, as establishing the beneficial interest of an Alternate Payee in any assets of the Fund.

## **VII. Effect of Determination of Qualified Status of Order**

*Alternate Payee as Beneficiary* – Upon a determination that a DRO is a QDRO, any Alternate Payee(s) named in the QDRO will be treated as a beneficiary of the Fund for all purposes, including ERISA’s disclosure requirements. In addition, upon such determination, the Alternate Payee shall have the same vested interest in any interest transferred to the Alternate Payee through the QDRO as the Participant would have had in the absence of the QDRO.

*Taxation* – Under the Internal Revenue Code, if an Alternate Payee is a spouse or former spouse of the Participant, and the payments are for a division of marital property, then the payments are taxed to the Alternate Payee. If the Alternate Payee is a spouse or former spouse of the Participant, and the payments represent alimony payments to the Alternate Payee, then the payments are taxable to the Participant. If the Alternate Payee is the child or dependent of the Participant, payments are taxed to the Participant.

*Paying Benefits Under a Separate Interest QDRO* – For a separate interest QDRO, the Alternate Payee must apply for benefits at the time and in the manner prescribed in the Plan and the QDRO. In such cases, the Fund will provide the Alternate Payee with a description of the available benefit form options at the time of the Alternate Payee’s application.

*Surviving Spouse* - Unless otherwise provided in a QDRO, the following rules will apply, an Alternate Payee who is the former spouse of a Participant will not be treated as the surviving spouse of the Participant.

*Application for Benefits* - The Alternate Payee(s) shall provide such information and complete such forms as would normally be required of the Participant prior to the payment of the benefits under the Plan.

## **VIII. Miscellaneous**

*QDRO Limitations* – The QDRO must state that, notwithstanding any other provision in the QDRO, the Fund shall not be required to (a) provide any type or form of benefit, or any option, not otherwise provided under the Plan; (b) provide increased benefits (determined on the basis of actuarial value); or (c) pay benefits to an Alternate Payee which are required to be paid to another Alternate Payee under another order previously determined to be a QDRO.

*Alternate Payee’s Benefit Amount* – A DRO is eligible to be qualified only if it expresses each Alternate Payee’s benefit in one of the two following forms:

- A. A flat dollar amount, plus or minus the Alternate Payee’s proportional share of any investment gains or losses, administrative expenses, and/or additional contributions from the Participant’s work in covered employment as of a specified Valuation Date. The QDRO must state how to calculate the Alternate Payee’s benefit in the event that the account balance as of the most recent Valuation Date

before the Alternate Payee elects to commence benefits is less than the flat dollar amount specified in the QDRO.

- B. A percentage of the Participant's account balance determined as of the Valuation Date in the year specified in the QDRO, plus or minus the Alternate Payee's proportional share of any investment gains or losses, administrative expenses, and/or additional contributions from the Participant's work as of the specified Valuation Date.

*Payment Error* – To the extent that the Fund makes any payment in error to any party in reasonable reliance on the QDRO, that party shall return the payment(s) to the Fund.

*Changes to QDRO* – Each party to the QDRO, and counsel, must advise the Trustees of any change in his or her contact or identifying information. The parties must submit an amended DRO in order to make any changes to the type, amount, or form of any benefit.

*Timing of DRO* – The Fund shall not determine that a DRO is not a QDRO solely because of the time it is issued. For instance, the Fund shall not determine that a DRO is not a QDRO solely because the Participant has died, or because the Participant and Alternate Payee have already divorced. However, if the Participant dies, and the Fund has not received written notice of a DRO, it shall pay any benefits without regard for any DRO that may exist and shall not be liable for any such payments.

*Subsequent DRO* – If, after a DRO has been received by the Fund (either before or after it is determined to be qualified), a new DRO with respect to the same parties is received modifying the earlier DRO, the second DRO shall supersede the first DRO. If the first DRO has been determined to be a QDRO, the second DRO will have only prospective effect.

*Legal Representatives* – The Participant and any Alternate Payee may designate (in writing to the Fund) a representative for receipt of copies of any documents that are sent to them pursuant to these Procedures. If so designated, copies of documents will be sent to the legal representatives, and all future correspondence under these Procedures will be directed to the legal representatives. If there is no such designation but the Fund is aware of a legal representative of record, correspondence will be sent to the Participant and Alternate Payee, with a copy to the legal representative(s).

*Additional Information* – The Trustees may request the Participant and/or the Alternate Payee(s) to furnish any documents and information the Trustees in their sole discretion deem necessary.

*Contact information* – If no address is given in the DRO for mailing of any document sent under these Procedures, the Fund shall mail it to the last known addresses of the Participant and the Alternate Payee(s).

*Modification to QDRO Procedures* – The Trustees have the right to amend or modify these Procedures without notice to any party. No amendment or modification, unless required by law or applicable regulation, will cause a DRO previously determined to be a QDRO to fail to retain its qualification.

*Disclaimer* – In all cases, the terms of the Plan shall determine any party's eligibility for benefits and the amount of such benefits. The benefits payable are governed by the Plan, which is subject to change or termination at any time. All benefit payments are subject to the actual terms and conditions of the Plan in effect when a party applies for benefits.

**ADDENDUM TO—**  
**Local 282 Annuity Trust Fund**  
**Procedures For Processing Domestic Relations Orders**  
**QDRO Guidelines**

These Guidelines are for individuals who are drafting domestic relations orders to be submitted to the Local 282 Annuity Trust Fund (the “Fund”) with respect to Participants in the Fund.

These Guidelines should be read in conjunction with the Fund’s Procedures for Processing Domestic Relations Orders (“QDRO Procedures”) and the Fund’s Rules and Regulations (the “Plan”), copies of which are available from the Fund Office. If the Guidelines conflict in any way with the QDRO Procedures, the Plan, the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or the Internal Revenue Code, as amended, (the “Code”), these QDRO Guidelines shall be superseded. Terms defined in the QDRO Procedures shall have the same meaning herein.

The Trustees are not required to honor any DRO that relates to a Participant who has commenced benefits in the form of an annuity paid by an insurance company.

**I. Identification**

A. Plan

The QDRO must state the formal name of the plan to which the QDRO applies. The Fund’s formal name is “the Local 282 Annuity Trust Fund.”

B. Domestic Relations Law

The QDRO must cite to the applicable state domestic relations law pursuant to which the order is or will be entered. The QDRO must relate to the provision of child support, alimony payments or marital property rights to a spouse (as that term is defined under the Plan), former spouse, child or other dependent of a Participant.

C. Participant

The QDRO must state the name, address, social security number, and date of birth of the Participant. If the parties object to providing the social security number and/or date of birth in the QDRO, they may provide the information to the Fund under separate cover.

The QDRO must also state the name and address of the Participant’s legal counsel or other representative, if any. The QDRO should also state whether the Participant is already receiving a benefit from the Fund.

D. Alternate Payee

The QDRO must state the name, address, social security number, and date of birth of each Alternate Payee. An Alternate Payee must be a spouse (as that term is defined under the Plan), former spouse, child or other dependent of a Participant. If the parties object to providing the social security number and/or date of birth in the QDRO, they may provide the information to the Fund under separate cover. The QDRO must also state the name and address of the Alternate Payee's counsel, if any.

If the Alternate Payee is a spouse or former spouse, the QDRO must list the dates of the parties' marriage and separation or divorce. If the Alternate Payee is a child (or other dependent of the participant), the QDRO must describe the parties' relationship.

E. Child Support Payments to Government Agency

The QDRO may require child support payments to a government child support collection agency, in which case it must identify the basis for the payments, and provide all necessary payment and contact information for the agency.

## II. Types of QDROs and Benefit Amounts

Generally, there are two types of QDROs, a Shared Payment QDRO, which must be used when the Participant has already begun receiving benefits from the Fund and may be used in other cases, and a Separate Interest QDRO, which may be used when the Participant has not already begun receiving benefits from the Fund. QDROs directed to an individual account plan such as the Plan are usually Separate Interest QDROs.

*Shared Payment QDRO* – The QDRO must state the amount of the benefit assigned to the Alternate Payee. The amount may be stated in the form of a flat dollar amount or as a percentage of the Participant's benefit. If stated as a flat dollar amount, the QDRO must specify that the Participant is to elect benefits in the form of an annuity or a stream of equal monthly payments, and the monthly amount awarded may not exceed the Participant's monthly benefit payment. If the amount is stated as a percentage of each benefit payment made to the Participant, then the QDRO need not specify the form of benefit that the Participant must elect. The QDRO must also state the period of time during which such payments are to be made.

*Separate Interest QDRO* – The QDRO must state the amount of the benefit being assigned to the Alternate Payee by describing a formula for calculating the benefit. The Fund's Valuation Date is the last business day of February of each Plan Year, February 28 or, when applicable February 29; and, effective beginning June 30, 2020, the last business day of each calendar quarter, and any additional date that the Trustees may, in their absolute discretion, determine in accordance with the Plan. If a DRO specifies a date other than those provided in the Plan, as mentioned in the previous sentence, as of when the Alternate Payee's benefit is to be determined, the DRO will not be qualified.

A QDRO must express each Alternate Payee's benefit in one of the two following forms:

(1) A flat dollar amount, plus or minus the Alternate Payee's proportional share of any investment gains or losses, and administrative expenses, beginning from a specified Valuation Date. In the event that the account balance as of the most recent Valuation Date before the QDRO is received is less than the flat dollar amount specified in the QDRO, the entire account balance, and no more, will be transferred to the Alternate Payee's account.

(2) A percentage of the Participant's account balance determined as of the Valuation Date in the year specified in the QDRO, plus or minus the Alternate Payee's proportional share of any investment gains or losses, and administrative expenses, beginning from the Valuation Date specified in the QDRO.

*Calculation of Benefits* – The dollar amount of benefits to which each party is entitled under the QDRO is calculated pursuant to the Plan.

### **III. Benefit Commencement**

*Shared Payment QDRO* – The Alternate Payee's benefit can commence at the same time that the Participant's payments begin, or on some later date, but no earlier than the first of the month after the Fund has received an application for benefits from the Alternate Payee. If the Participant has already commenced benefits when the QDRO is entered by a Court, the Alternate Payee's benefit cannot commence until the first of the month following a determination by the Fund that the DRO is a QDRO and the Fund's receipt of the Alternate Payee's application for benefits (or, if later, as soon as administratively feasible).

*Separate Interest QDRO* – The QDRO must state the date that the Alternate Payee's benefit will commence. The QDRO may—

1. permit the Alternate Payee to apply for benefits to commence at any time, but not before the date the Participant reaches the "earliest retirement age." Earliest retirement age is defined under the Plan and in accordance with Internal Revenue Code section 414(p)(4)(B), to mean the earlier of
  - (a) the date on which the Participant is entitled to a distribution under the plan, or
  - (b) the later of
    - (i) the date the Participant attains age 50,
    - (ii) or the earliest date on which the Participant could begin receiving benefits under the plan if the Participant separated from service (if the Participant is not yet eligible to retire, and therefore cannot receive benefits under the Plan until at least 3 months after separation from service (6 months for DROs entered by a court before March 1, 2015), this date will be 3 months after the date on which the DRO is entered by a Court (6 months for DROs entered

by a court before March 1, 2015), as long as the DRO is determined to be qualified);

or

2. provide for a specific benefit commencement date that is on or after the date the Participant achieves earliest retirement age.

If applicable, the QDRO must state a measuring life (meaning whether the benefit awarded to the Alternate Payee will be paid over the life of the Participant or the Alternate Payee). If the QDRO awards a benefit to the Alternate Payee for the Alternate Payee's life, which is generally what "a separate interest" QDRO will do, the Alternate Payee's benefit will be actuarially adjusted accordingly, based on the Alternate Payee's life at the benefit commencement date.

#### **IV. Benefit End**

*Shared Payment QDRO* – The QDRO must state the date that the Alternate Payee's benefit will end. A Shared Payment QDRO may provide that benefits will be paid for a specified period of time, such as 60 months or until the Participant or Alternate Payee dies, whichever occurs first. The ending date may also be a specific date or event, such as the Alternate Payee's remarriage or, where the Alternate Payee is the Participant's child, the date the child attains a certain age, as long as the date of the subsequent event can be determined from the information provided in the QDRO and is not a date or event occurring after the Participant's death. In no event can the shared payments continue after the Participant's death. If the Alternate Payee is also a deemed surviving spouse or beneficiary, payment of any additional benefits will be made pursuant to the terms of the Plan but not pursuant to the QDRO assignment.

*Separate Interest QDRO* – The duration of the Alternate Payee's benefit is determined by the form of payment provided for or elected by the Alternate Payee pursuant to the QDRO (*e.g.*, lump-sum payment, payment of the account balance over a period not to exceed 10 years, a life annuity for the Alternate Payee's life).

#### **V. Form of Payment**

*Shared Payment QDRO* – The Alternate Payee may not elect a form of payment since his/her benefit is paid in the form elected by the Participant and simply deducted from the Participant's benefit payment(s).

*Separate Interest QDRO* – The QDRO must state that the Alternate Payee will receive a benefit in any form available under the Plan other than a joint and survivor annuity that designates the Alternate Payee's subsequent spouse as the survivor beneficiary.

## **VI. Death of Party**

### **A. Participant's Death Before Commencing Benefits under the Plan**

*Shared Payment QDRO:* The QDRO may provide that the Alternate Payee will be treated as the Participant's surviving spouse for purposes of the pre-retirement survivor benefit under the Plan. This will permit the Alternate Payee to receive a benefit in the event the Participant dies before either the Participant or the Alternate Payee commences benefits, as provided for under the QDRO. The QDRO must state that the benefit will be paid in lieu of any other benefit available to the Alternate Payee. If the QDRO does not name the Alternate Payee as the Participant's surviving spouse for purposes of the pre-retirement benefit, there will be no benefit payable to the Alternate Payee in the event the Participant dies before the date that benefits commence to the Alternate Payee unless the Participant designates the Alternate Payee as beneficiary on the designation form that the Plan provides.

*Separate Interest QDRO:* The Participant's death will have no effect on the Alternate Payee's entitlement to benefits.

### **B. Participant's Death After Retirement**

*Shared Payment QDRO:* Unless the QDRO requires the Participant to elect the 50% Joint and Survivor Annuity (as defined in the Plan), or the Participant designates the Alternate Payee as beneficiary, no benefit will be payable to the Alternate Payee following the Participant's death. A QDRO may provide that the Alternate Payee will be treated as the Participant's surviving spouse for purposes of the post-retirement survivor annuity under the Plan. If it does, the QDRO must require the Participant to elect the 50% Joint and Survivor Annuity at retirement with the Alternate Payee the surviving spouse.

*Separate Interest QDRO:* The Participant's death will have no effect on the Alternate Payee's entitlement to benefits.

### **C. Alternate Payee's Death Before or After the Participant/ Alternate Payee Commences Benefits**

*Shared Payment QDRO:* The QDRO may provide that if the Alternate Payee dies, benefits will (1) be paid to a contingent alternate payee named in the QDRO; or (2) revert to the Participant. If the QDRO does not specify how benefits will be paid, benefits will revert to the Participant.

*Separate Interest QDRO:* Upon the Alternate Payee's death, the remainder of the Alternate Payee's benefit will be paid to the Alternate Payee's surviving beneficiary in accordance with the terms of the Plan. If the Alternate Payee's separate interest was all paid in a lump sum or in an annuity purchased from an insurance company, no further payment will be made following the Alternate Payee's death.

## **VII. Miscellaneous Requirements**

1. The QDRO must state that, to the extent the QDRO conflicts with the Plan or with ERISA or the Code, the Plan, ERISA and/or the Code shall prevail.
2. The QDRO must state the following—
  - (a) Notwithstanding any other provision in the QDRO, the Fund shall not be required to provide any type or form of benefit, or any option, not otherwise provided under the Plan.
  - (b) Notwithstanding any other provision in the QDRO, the Fund shall not be required to provide increased benefits.
  - (c) Notwithstanding any other provision in the QDRO, the Fund shall not be required to pay benefits to an Alternate Payee that are required to be paid to another Alternate Payee under another order previously determined to be a QDRO.
3. The QDRO should state the following, or words to such effect—
  - (a) The Trustees are entitled to rely on any and all representations made in the QDRO, and the parties agree to waive any and all claims against the Fund, the Trustees, their agents, representatives, employees, and anyone else acting on their behalf, for any action taken in compliance with the QDRO.
  - (b) To the extent that the Fund makes any payment(s) in error to any party, that party shall be required to return the payment(s) to the Fund.