

## I.A.M. NATIONAL PENSION FUND

### DOMESTIC RELATIONS ORDER PROCEDURES

*Effective April 15, 2015*

Pursuant to Section 206(d) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and Section 414(p) of the Internal Revenue Code of 1986, as amended, the Board of Trustees of the I.A.M. National Pension Fund (“Fund”) has adopted the following procedures for reviewing a Domestic Relations Order (“DRO”) that may be entered with respect to the Fund, and for determining whether any such DRO constitutes a Qualified Domestic Relations Order (“QDRO”).

1. A DRO is an order entered by a court or court approval of a property settlement that relates to the provision of support, alimony payments, or marital property rights to an Alternate Payee and is made pursuant to a state domestic relations law. A proposed DRO is a draft order or property settlement agreement that relates to the provision of support, alimony payments, or marital property rights to an Alternate Payee that has not been submitted to a court for approval.

An 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. To the extent provided in any QDRO, the former spouse of a Participant may be treated as a surviving spouse of the Participant for purposes of a joint and survivor annuity and/or a preretirement survivor annuity, provided that an Alternate Payee may receive a portion of the 50% Pre-retirement Death Benefit only if the former spouse and Participant were married for at least one year as of the date of divorce.

2. Upon receipt of a DRO, the Fund will send the Participant, the Alternate Payee, and/or their designated representatives, a notice stating that it has received the DRO and advising that a copy of these procedures are available online at [www.iamnpf.org](http://www.iamnpf.org). A copy of these procedures will be provided by mail upon request.
3. The Fund will next determine the “qualified” status of the DRO. For the DRO to be considered a QDRO, the DRO must meet the following requirements:
  - a. The DRO must indicate the name and last known mailing address of the Participant and Alternate Payee. The Fund will consider the “address” requirement met if the identity of the Participant and the Alternate Payee are sufficiently clear and the Fund has reason to know the Participant’s and the Alternate Payee’s current address.
  - b. The DRO must indicate the amount of the benefit to be paid to the Alternate Payee. This requirement may be met by (1) specifying a fixed amount; (2) specifying a percentage of the Participant’s benefit; or (3) providing a formula by which the Fund can determine the amount due the Alternate Payee at any given time.

- c. The DRO must state when the Alternate Payee's benefits will commence. If an Alternate Payee is receiving a benefit for the Alternate Payee's lifetime, the Alternate Payee's benefits may commence on or after the Alternate Payee attains the earliest retirement date under the Fund or such later date as the Alternate Payee may elect under the Fund. If an Alternate Payee is receiving a benefit for the Participant's lifetime, the Alternate Payee's benefits may commence on or after the Participant's benefit commences under the Fund or such later date as the Alternate Payee may elect.
  - d. The DRO must indicate the period of time for which it will remain in effect. This requirement can be met by specifying (1) a specific time period (*e.g.*, "for 24 months" or "for the Alternate Payee's lifetime" or "for the Participant's lifetime"); (2) the total amount to be paid over time (*e.g.*, "until \$\_\_\_ has been paid"); (3) a particular form of payment (*e.g.*, a single life annuity); or (4) an indefinite duration (*e.g.*, "until further order of court").
  - e. The DRO must correctly identify the Fund as the fund to which the Order applies.
4. If the DRO requires any of the following, the DRO is not a QDRO:
- a. The DRO cannot require the Fund to provide any type of benefit or form of benefit that is not otherwise provided for under the Fund. A QDRO can allow the Alternate Payee to elect any form of payment permitted under the Fund based on his/her lifetime, but the Alternate Payee may not elect to receive a benefit in the form of a joint and survivor benefit with a subsequent spouse.
  - b. The DRO cannot require the Fund to provide a larger benefit than it would otherwise provide under the Fund. For purposes of this requirement, benefits that are actuarially equivalent are considered to be equal.
  - c. If there is another DRO previously determined to be a QDRO under which the Fund must pay another Alternate Payee, the two Orders cannot require the Fund to pay more than 100% of the Participant's benefit.
  - d. If the DRO is submitted to the Fund after the Participant's annuity starting date, the DRO cannot require payments to the Alternate Payee for the Alternate Payee's lifetime.
  - e. If the DRO is submitted to the Fund after the annuity starting date of the Participant's surviving spouse, the DRO cannot assign any portion of the surviving spouse benefit that is payable to the Participant's surviving spouse under the form of benefit currently in effect.
5. Once the Fund determines whether a DRO meets the requirements of a QDRO, as described above, it will notify the Participant, the Alternate Payee, and their designated representatives of this determination and of the action taken. If the DRO is determined *not* to be a QDRO, the notification will include this determination and the steps necessary to correct the DRO.

6. In the event that the Fund receives a DRO pertaining to a Participant that is in pay status at the time of receipt, or if a Participant applies for his or her benefit after receipt of a DRO, the Fund will segregate from the Participant's benefit the amounts awarded to the Alternate Payee in the DRO for up to 18 months pending determination of the "qualified" status of the DRO. However, the Fund will only segregate amounts that can be reasonably ascertained from the DRO. The Participant and the Alternate Payee will be advised of this action on the initial notice under Section 2 of these procedures.

If the DRO is determined to be a QDRO, the Fund will notify the parties and the segregated amounts will be released to the Alternate Payee upon qualification and completion of any necessary application process.

If the DRO is determined *not* to be a QDRO, the Fund will notify the parties of its determination and advise the parties that they have 180 days to appeal the Fund's determination. The Fund will continue to segregate the Alternate Payee's portion of the Participant's benefit for up to 180 days after the date of the notice to the parties that the DRO is not qualified, to give the parties an opportunity to appeal or submit a revised DRO, but in no event will the Fund segregate any portion of the Participant's benefit beyond 18 months after the Fund's receipt of the original DRO. If, within this 180-day period, the parties submit a revised DRO and the Fund determines that it is qualified, the segregated amounts will be released to the Alternate Payee upon the DRO's qualification. If the parties do not appeal the Fund's determination or submit a revised DRO within the 180-day period, or if the parties submit a revised DRO that is determined not to be qualified, the segregated amounts will be released to the Participant upon the earlier of (1) the date the subsequent DRO is determined not to be a QDRO or (2) the expiration of the 180-day period.

If the qualified status of a DRO has *not* been determined within 18 months of the Fund's receipt of the original DRO, then any amounts segregated pursuant to this Section will be released to the Participant.

7. If a modified DRO is received by the Fund after the periods described in Section 6 expire, the Fund will send the Participant and the Alternate Payee a notice of the receipt of such order and will proceed in accordance with these procedures (starting with Section 2 above).
8.
  - a. If the Alternate Payee dies before his/her benefits commence, the QDRO will have no effect and benefits will revert to the Participant, unless a contingent Alternate Payee is designated in a QDRO.
  - b. If the QDRO awards the Alternate Payee the right to elect any form of payment allowed under the Fund based on his or her life expectancy, the Participant's death after the DRO is determined to be a QDRO by the Fund will not affect the Alternate Payee's benefit. If the Alternate Payee is awarded a share of the Participant's monthly benefit for as long as the Participant receives it, the Participant's death after the DRO is entered and determined to be a QDRO will terminate the Alternate Payee's benefit unless the QDRO provides otherwise.

- c. If the Alternate Payee dies after his/her benefits commence in the form based on his or her life expectancy, the Alternate Payee's benefit will not revert to the Participant. If the Alternate Payee dies after his/her benefits commence as a share of the Participant's monthly benefit for as long as the Participant receives it, the Alternate Payee's benefit will revert to the Participant unless the QDRO provides otherwise.
  - d. A DRO that is entered after the death of the Participant whose benefit is the subject of the DRO will not fail to be a QDRO solely because it is issued after the death of the Participant.
- 9.
- a. In order to commence receiving benefits after a DRO has been entered by a court and qualified by the Fund, the Alternate Payee must notify the Fund of the request to commence benefits and must complete any necessary application forms and supply any documents requested by the Fund.
  - b. Each Alternate Payee under a QDRO must advise the Fund of any change in his/her name or address, as well as any change or amendment to the QDRO.
10. Upon request, the Fund will review a proposed DRO to determine whether the proposed order would meet the requirements of a QDRO if entered or approved by a court. Following review, the Fund will notify the Participant and the Alternate Payee (or their designated representatives) of its determination as to whether the proposed DRO would be considered a QDRO.
11. The Trustees shall have the right to modify these procedures without notice to any party. In the event of such modification, the Fund will provide each party to a DRO or proposed DRO with a copy of the modified procedures.