

Central States, Southeast and Southwest Areas Pension Fund

PRE RETIREMENT (SHARED INTEREST) MODEL

Model Provisions for Awarding Alternate Payee a **Shared Interest** in Participant's Retirement Benefits When Participant is in **Pre-Retirement** status.

YOU MUST READ AND AGREE TO THE FOLLOWING BEFORE USING THESE MODEL PROVISIONS:

The assignment of retirement benefits in domestic relations proceedings involves complex marital rights and tax issues. The following model provisions demonstrate one method of dividing retirement benefits. Other methods of dividing retirement benefits may be available, making these model provisions inappropriate for your circumstances.

This sample is provided as a courtesy only. The Central States, Southeast and Southwest Areas Pension Fund, its Trustees, Employees and Agents (hereinafter collectively the "Plan") are not authorized to provide legal advice to any person regarding the application of any provision of ERISA, the Employee Retirement Income Security Act as amended, 29 U.S.C. § 1001 et seq., including the provisions of § 206 of ERISA (29 U.S.C. § 1056) relating to the form and payment of Plan benefits. ERISA requires that the Plan Trustees have final authority to determine whether any Domestic Relations Order received by the Plan may be deemed to be a Qualified Domestic Relations Order. Thus, by providing this model, the Plan makes no representation to any person that a Domestic Relations Order submitted to the Plan, using this model, will be deemed a Qualified Domestic Relations Order by the Plan. Before a Domestic Relations Order may be deemed to be a Qualified Domestic Relations Order, the order must be received by the Plan after having been signed and entered by a domestic relations court or other agency having authority under state law to enter a Domestic Relations Order. The Plan also makes no representation whether the provisions contained herein comply with any applicable state law requirements, including but not limited to, the division of marital or community property in connection with a marriage dissolution, or any related proceeding.

Central States, by providing these model provisions, does not consent to or submit to the jurisdiction of any state court over it, and affirmatively states that any dispute regarding Central States' decision upon whether a Domestic Relations Order is qualified must be resolved in federal court after Plan administrative remedies have been exhausted. The Plan Trustees have final and discretionary authority to construe the terms of the Plan.

These model provisions were designed specifically to apply to provisions of the Plan relating to form and payment of Plan benefits. Any person using these model provisions must be advised that any modification of these model provisions may result in a conflict with the terms of the Plan or create ambiguities which may result in a proposed order being rejected by the Plan, or if accepted by the Plan, lead to unintended consequences regarding the payment of Plan benefits.

ERISA § 206 (d)(3)(C) also provides that a Domestic Relations Order must clearly specify:

1. The name and last known mailing address of the Participant and each Alternate Payee covered by the order.

2. 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.
3. The number of payments or period to which such order applies and each Plan to which such order applies.

The models have provisions identifying the Plan, the Participant and the Alternate Payee. Each model provides for a calculation of the Alternate Payee's benefit amount and the period of payment, so that the requirements of § 206(d)(3)(c) of ERISA are satisfied.

MODEL PROVISIONS

Preamble

This Order is intended to be a Qualified Domestic Relations Order (QDRO) as defined in Section 206(d) of the Employee Retirement Income Security Act of 1974, as amended (ERISA). 29 U.S.C. § 1056(d).

ORDER

Section 1. Background Information -REQUIRED PROVISIONS

A. Identification of the Plan

This Order applies to benefits under:

Central States, Southeast and Southwest Areas Pension Fund (the "Plan")
 Attn: Domestic Relations Orders
 P.O. Box 5109
 Des Plaines, IL 60017-5109

B. Identification of the Participant

Participant's Name: _____

Mailing Address: _____

Date of Birth: _____

The Participant shall keep the Plan advised at all times of the Participant's current mailing address.

C. Identification of the Alternate Payee

Alternate Payee's Name: _____

Mailing Address: _____

Date of Birth: _____

The Alternate Payee shall keep the Plan advised, in writing, at all times of the Alternate Payee's current mailing address.

D. Statement of Confidential Information

The Social Security number of the Participant and Alternate Payee must be entered on a separate form supplied by the Plan titled "Statement of Confidential Information," copy attached. This form must be completed and returned to the Plan with a copy of this Order, or as soon as possible thereafter. The Plan requires this information for tax purposes. The form is not a public record and need not be filed as part of these proceedings.

Section 2. Benefit Amount Assigned to Alternate Payee - REQUIRED PROVISION

The Alternate Payee is assigned one of the following to determine the benefit amount.

Please select and complete ONE from the following four options:

A. _____% of the Participant's benefit as of ____/____/____
(valuation date)

B. A *coverture fraction (i.e., a portion based on the duration of the marriage whether ended by divorce or otherwise) applied to the Participant's benefit:

Years of contributory credit earned from ____/____/____ through ____/____/____

----- X 50% X Participant's Benefit as
of the valuation date

Years of contributory credit earned as ____/____/____ (Valuation Date¹)

= Alternate Payee's monthly benefit amount

*Note: The resulting fraction shall never be greater than 1

¹ The Valuation Date refers to the last date through which the benefit accrues, according to your state laws. This may refer to the final divorce date, separation date, petition filing date, etc. If the valuation date is after the Participant's retirement date, the assigned percentage (or coverture fraction) would be applied to the Participant's final, *current* benefit. Otherwise, the percentage (or fraction) would be applied to the benefit accrued through the earlier specified valuation date.

- C.** A *coverture fraction (i.e., a portion based on the duration of the marriage whether ended by divorce or otherwise) applied to the Participant's benefit:

Date of Marriage: _____/_____/_____

Date of Separation/Divorce : _____/_____/_____

$$\frac{\text{Years of contributory credit earned from the date of marriage to date of separation/divorce}}{\text{Years of contributory credit earned as of the Alternate Payee's effective date}} \times 50\% \times \text{Participant's Benefit as of the Alternate Payee's effective date} = \text{Alternate Payee's monthly benefit amount}$$

*Note: The resulting fraction shall never be greater than 1

- D.** A set dollar amount of \$_____ per month, beginning at the Participant's effective date and continuing until the earliest of the Participant's death, the Alternate Payee's death, or until a total of \$_____ has been paid.

Section 3. Payment of the Alternate Payee's Benefit - REQUIRED PROVISION

The Plan is directed to pay the Alternate Payee each month an amount, as indicated in Section 2. **The payment shall begin on the Participant's effective date** and shall end as indicated below. In no case may an alternate payee assign his/her benefit to any other person.

(Please select only **ONE**):

- Participant's Lifetime - Benefits shall be paid to the Alternate Payee until the earlier of either party's death. If the Alternate Payee dies first, the Alternate Payee's benefit will revert to the Participant. If the Participant dies first, the Alternate Payee's benefit will end.
- Post-Retirement Joint & 50% Surviving Spouse Annuity - Benefits shall be paid to the Alternate Payee until the earlier of either party's death. The entire marital portion (as outlined in Section 2) will be actuarially reduced. If the Alternate Payee predeceases the Participant, the benefits would revert to the Participant, and the reduction for Joint and 50% Survivor coverage would be reversed. The alternate payee's benefit will remain unchanged regardless of when Participant dies.
- The Alternate Payee, on the Participant's effective date, shall have a choice of one of the above two options.

Section 4. Pre-Retirement 50% Surviving Spouse Coverage- REQUIRED PROVISION

Please select one from the following three options A, B, or C:

- A. The Alternate Payee will be considered surviving spouse for the Pre-Retirement 50% Surviving Spouse Coverage. This benefit will be based on the marital portion outlined in Section 2 of the Order. This option will only be available before the retirement of the Participant.
- B. The Alternate Payee will be considered surviving spouse for the Pre-Retirement 50% Surviving Spouse Coverage. This benefit will be based on the Participant's entire benefit as of his date of death. This would preclude any subsequent spouse of the Participant from being eligible for any surviving spouse benefits. This option will only be available before the retirement of the Participant.
- C. The Alternate Payee will not be considered surviving spouse for purposes of the Pre-Retirement 50% Surviving Spouse Coverage. In the event of the Participant's death prior to the Alternate Payee's benefit effective date, the Alternate Payee would no longer be eligible for a retirement annuity and no benefit would be payable to the Alternate Payee.

Section 5. General Provisions - While these provisions are not required by ERISA to be in a Domestic Relations Order, they serve to clarify issues which may later arise.

A. Compliance with ERISA

A Domestic Relations Order pursuant to ERISA c 206 (d)(3)(D) shall not require:

1. the Plan to provide any type or form of benefits, or any option, not otherwise provided under the Plan;
2. the Plan to provide increased benefits (determined on the basis of actuarial value);
3. 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 Qualified Domestic Relations Order.

B. Participant's Cooperation Required

The Participant must cooperate fully with the Alternate Payee and the Plan to carry out the conditions of this Order, but the Plan will not be required to comply with the terms of any order entered after the death of the participant which purports to be effective to any time prior to the Participant's death.

C. Alternate Payee's Cooperation

The Alternate Payee must timely provide the Plan with whatever information the Plan reasonably requests to determine the Alternate Payee's entitlement to benefits or to determine whether a Domestic Relations Order will be qualified by the Plan.

D. The Plan's Rights Regarding Payments

1. The Plan shall retain any rights it may have under its terms to suspend or terminate payments to the Alternate Payee and the Participant, provided that either the Participant or the Alternate Payee may appeal such suspension or termination through the mandatory appellate review process provided by the Plan.
2. Payments by the Plan pursuant to this Order shall be without prejudice to any right the Plan has under the Plan and/or applicable law to seek recoupment or recovery of any benefit amount overpaid by the Plan.

E. Effect of Plan Amendments

If amendments in the terms of the Plan prevent the Plan from making any payment expressly provided for in this Order, for the purpose of maintaining the Order's status as a QDRO, the Plan is authorized to interpret the Order in a manner that is consistent with this Order and the Plan as amended. Any such interpretation by the Plan is subject to review by the Court, by petition of either party, but any interpretation of the qualified state of an order always remains with the Plan Trustees.

F. Re-employment of Participant

Benefits to the Alternate Payee may be subject to pursuant suspension if the Participant returns to any reemployment which results in the suspension of the participant's monthly benefits.

IMPORTANT NOTE:

The above model is to be used as a guideline for drafting a QDRO. Before a Domestic Relations Order may be deemed to be a Qualified Domestic Relations Order, the order must be received by the Plan after having been signed and entered by a domestic relations court or other agency having authority under state law to enter a Domestic Relations Order. It must be a certified copy, signed and dated by a judge and, if applicable, the parties required by state law. Any amended order is subject to review by the Plan as stated herein.

Central States, Southeast and Southwest Areas Pension Fund

STATEMENT OF CONFIDENTIAL INFORMATION

DO NOT SUBMIT THIS FORM TO THE COURT

Instructions: For tax reporting purposes, the Plan requires the social security number of any person who receives Plan benefits. However, to avoid having the social security numbers of the parties become part of the public record in a court order, the Plan uses this separate form to obtain the parties' social security numbers. Accordingly, please provide us with the requested information below and submit this form to the Plan's QDRO Department with a certified copy of the domestic relations order.

	Participant	Alternate Payee
Name		
Social Security Number		
Birthdate		