



**RESTATED
PROCEDURES FOR ADMINISTERING
DOMESTIC RELATIONS ORDERS (QDROs)**

(Revised as of May 2011)

Pursuant to the Employee Retirement Income Security Act, as amended by the Retirement Equity Act of 1984 ("ERISA"), the Board of Trustees of the Northern California Pipe Trades ("NCPT") Pension Trust adopts these procedures for administering domestic relations orders which affect the pension benefits of Participants in the NCPT Pension Plan ("Pension Plan") and/or the NCPT Supplemental 401(k) Retirement Plan ("Supplemental Plan"). The Trust shall comply with a Qualified Domestic Relations Order ("QDRO") as required by ERISA.

A. PROCEDURE FOR HANDLING PROPOSED ORDERS OR INQUIRIES

1. Written Request of Trust Fund Office. Inquiries and questions concerning the interest of a current or former spouse, a child, or other Alternate Payee should be made in writing to the Trust Fund Office at the address listed above. This includes a request to formally Join the Pension Plan in a dissolution/divorce proceeding (i.e. a Joinder Request) and/or submission of any proposed order for review. (If Trust Legal Counsel is already involved in a matter, the Joinder Request and related documents should be sent directly to his attention. Counsel's address is: Richard K. Grosboll, Neyhart, Anderson, Et Al., 369 Pine Street, Suite 800, San Francisco, CA 94104-3323; phone: 415-677-9440). (You may request that the Sample Order be sent to you via e-mail for easier preparation.)

A Participant or potential Alternate Payee may request of the Plans a determination of the Participant's interest as of the date of separation or dissolution.

2. Trust Counsel Review. The Plan Office will forward to Trust Legal Counsel any Joinder Request, proposed order and any related correspondence or information relating to a pending dissolution or support order. Trust Counsel has responsibility for filing a Notice of Appearance and for contacting the parties or their counsel regarding the Joinder Request or proposed order. Counsel may notify a Participant and/or his or her legal counsel regarding such a Joinder request and/or inquiry and to provide information regarding a spouse's benefits.

Trust Counsel will then furnish the spouse with information on the Participant's interest in the Plans as well as general information on the Plans. Trust Counsel will make the final determination as to whether an order is a QDRO. The Pension Trust's practice is not to have Trust Counsel sign any Order.

3. Submission of Certified Copy of Order. The Plans are not required to follow any proposed order. Instead, the Plans will follow an order upon receipt of a copy of the file-endorsed order (i.e., signed or stamped by the Judge and filed with the Court),

which has been approved by the Court. Thus, parties should submit to Trust Counsel such order immediately after Court approval.

4. Limited Distribution Upon Joinder. Upon being served with a Joinder Request, the Trust will not distribute a Participant's entire interest in the Plans, at least for a reasonable period, to allow time for preparation of a QDRO; however, the Plans are authorized to distribute a Participant's non-community property portion and one-half of the community property portion of a Participant's benefits unless a court orders otherwise or there are strong reasons to believe the potential Alternate Payee is seeking greater benefits than just the one-half portion of the community portion of the Participant's benefits. The Trust Fund Office and Trust Counsel shall have total discretion in interpreting orders, deciding whether a partial or total distribution should be made, and making any other QDRO decisions.

The parties may also agree upon a partial distribution to the Participant, or if a proposed order includes a specific amount to the Alternate Payee, the Plan may segregate that amount as provided in Section B.4 on page 5 herein below.

B. DETERMINING WHETHER ORDER IS A QUALIFIED ORDER

1. Qualified Domestic Relations Order. A Qualified Domestic Relations Order (QDRO) is a Court judgment, decree or order (including approval of a property settlement agreement) that (1) relates to the payment of child support, alimony or marital property rights to a spouse, former spouse, child or other dependent of a Participant (i.e., known as an "Alternate Payee") and (2) is made pursuant to a state domestic relations law.

An order is a QDRO if it (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 to a Participant under the Plan, (2) specifies certain information as set forth in subsection 3 below, and (3) does not alter the amount or form of Plan benefits.

2. Compliance with ERISA. The Trustees shall comply with a QDRO as required by ERISA and any lawful regulations issued thereunder. The Trustees, through Legal Counsel, shall provide Participants and Beneficiaries with these procedures.

3. Contents of a Qualified Domestic Relations Order

a) Requirements for Both Plans. For an order to be a QDRO it must clearly specify at least the following information:

1) Name, Social Security number, dates of birth and last known address of the Participant and of each Alternate Payee covered by the Order, and the dates of marriage and separation (the Social Security Number may be provided in a separate letter or document for privacy reasons);

2) The Alternate Payee's amount or share (i.e. percentage or amount) of the Participant's interest in the Plans or a precise formula for determining such benefits;

- 3) The correct name of the Trust ("Northern California Pipe Trades Pension Trust");
- 4) The correct name of each Plan: "Northern California Pipe Trades Pension Plan" and the "Northern California Pipe Trades Supplemental 401(k) Retirement Plan";
- 5) The date payments to the Alternate Payee are to commence and terminate.
- 6) Upon the death of the Participant or Alternate Payee, the survivor shall promptly notify the Trust of such death and each party will advise the Pension Trust of any address change.
- 7) That the order does not:
 - a) Require the Plans to provide any type or form of benefit, or any option, not otherwise provided under the Plan;
 - b) Require the Plans to provide increased benefits (determined on the basis of actuarial value); and
 - c) Require payments to an Alternate Payee that are required to be paid to another Alternate Payee under a prior QDRO or requires the payment of benefits earned after the dissolution and which are or may be community property of a new spouse.

The order should repeat the language in this subsection 7.

- b) Requirements for Pension Plan. Regarding the Pension Plan, the order should specify:
 - 1) The total Credited Service (also known as Benefit Credit) earned during the marriage;
 - 2) The method of determining the Alternate Payee's community portion or a specific amount;
 - 3) That the Alternate Payee may select any benefit option provided in the Plan; and
 - 4) The spouse shall have the right to designate beneficiaries only to the extent that death benefits may be available under the form of benefit option elected for the Pension Plan. If the spouse selects a life annuity based on her life, the benefits cease upon the later of her death or sixty months of payments being made. If the spouse dies before sixty months of payments have been made, the remaining payments shall be made to her designated beneficiary. If no beneficiary has been selected, payments shall be made to her children in equal shares (and if no children then in accordance with the Plan document).

c) Requirements for the NCPT Supplemental 401(k) Retirement Plan.

For the NCPT Supplemental 401(k) Retirement Plan, the order should specify:

- 1) The value of the community property portion of the Participant's interest as of a specified date;
- 2) The value of the Alternate Payee's share of the Participant's community property interest in the Plan (in most instances, one-half of the amount in 1) above);
- 3) That the Alternate Payee's share will be segregated and an account established in such Alternate Payee's name (or distributed to the Alternate Payee if she is entitled to a distribution);
- 4) Once segregated, that the Alternate Payee will be entitled to future earnings/losses and appreciation in the value of the assets minus any expenses and depreciation in value of the assets;
- 5) Once segregated, that the Alternate Payee will have total control over the account established in said Payee's name, including the right to designate Beneficiaries, to the extent allowed by the benefit option selected and other applicable plan provisions;
- 6) That the Participant will have total control over his remaining interest in the Plan and that the Alternate Payee will not have any right to his portion, including as a future Beneficiary before or after his death (unless he subsequently designates her as a Beneficiary); and
- 7) The Court order that the Plan's \$500.00 QDRO administration fee shall be paid equally between the parties. Such amount (\$250.00) will be deducted from each person's Individual Account balance;

d) Optional Requirements. Although not specifically required by ERISA, the order may contain the following provisions:

- 1) Distribution Even If Participant Working. If the Participant works past the Plan's earliest retirement date or date the Participant could otherwise be entitled to commence receiving benefits, the order may provide that the Alternate Payee is entitled to receive his or her portion of the Participant's Plan benefits at that time. (Otherwise, he or she would have to wait until the Participant terminates his or her employment and files a pension application to be entitled to a benefit; however, if the parties reach an agreement that the Alternate Payee may receive his or her share of the Participant's Individual Account with the NCPT Supplemental 401(k) Retirement Plan prior to attainment of the Participant's eligibility for benefits under that Plan, the NCPT Supplemental 401(k) Retirement Plan will follow such Agreement and/or order.)
- 2) Disability. Disability benefits are left to the discretion of the parties; however, as a general rule, the Plan's practice is that disability benefits which commence prior to early retirement age are not subject to division, without a court order.

3) Surviving Spouse Designee. If the Participant dies before retirement, the Alternate Payee is to be considered the surviving spouse for purposes of the Preretirement Survivor Annuity or any death benefits, but only to the extent of the one-half interest in the community property portion of such benefits, unless the Order provides otherwise.

4. Escrow for Determination Period

This section is included to comply with specific provisions of ERISA; however, usually segregation of an Alternate Payee's interest in an escrow account is not necessary because the Trust's QDRO determination is completed in a timely manner.

During a period in which the question of whether a domestic relations order is a QDRO is being determined (by the Plan Administrator, Legal Counsel, a court or otherwise), the Plans may segregate in a separate account or in an escrow account the amounts that would be payable to the Alternate Payee during such period if the order is determined to be a QDRO.

If the Plan Administrator determines that the order is not a QDRO or, after the eighteen-month period has expired, has not resolved the issue of whether the order is qualified, the segregated amounts may be paid to the Participant and his or her Beneficiary as set forth in the Plans.

5. Notice to Participants of Domestic Relations Order

Within a reasonable period after receipt of a proposed order affecting a Participant's interest in the Plans, Trust Counsel will notify the parties whether the order is a QDRO.

The Plans' claims and appeal procedure applies to a determination whether an order is a QDRO, the interpretation of such an order, and any other related issue.

Trust Counsel and the Trust Fund Office shall have total discretion in reviewing such orders. In particular, for orders entered prior to 1985, Trust Counsel may use his/her discretion in deciding whether a formal QDRO is necessary if such pre-1985 order does not technically meet the requirements of a QDRO. Trust Counsel is authorized to seek to have the parties agree on an interpretation of an order to avoid the time and expense of returning to court and to expedite the matter.

6. Lump Sum Distribution/Age 70½ Requirement

If the Participant or Alternate Payee is entitled to a benefit of \$5,000 or less and has not exceeded that amount, such distribution shall be in one lump sum.

Benefits must commence being paid to the Alternate Payee no later than April 1, of the year following the year the Participant attains age 70½.

7. Time Period to Submit Order. An Alternate Payee and his or her attorney may not unreasonably delay the process of obtaining a QDRO or delay payments to the

Participant by failing to cooperate. After 18 months have passed from the earliest contact by the Alternate Payee, the Plans may make a distribution to the Participant if a final order has not been received.

8. QDRO Fee. Pursuant to Department of Labor rules, the NCPT Supplemental 401(k) Retirement Plan assesses a \$500.00 QDRO Administration Fee to be shared equally by the parties. The fee will be deducted from each party's respective share in the NCPT Supplemental 401(k) Retirement Plan.

9. 13th Check and Cost of Living Increases (COLAs). Entitlement to a portion of the 13th Check (if applicable) or COLAs (if applicable) could be negotiated between the Participant and the Alternate Payee. This needs to be addressed in the Order.

10. Required Documents. If an Alternate Payee is awarded a community portion of the Participant's benefits in the NCPT Pension Trust and there is no QDRO or Marital Settlement Agreement on file, or submitted to the Trust Fund Office, distribution of any Pension or Supplemental 401(k) Retirement funds will be delayed.

11. Overpayments. If there is an overpayment on file at the Trust Fund Office for any of the Plans, no benefits will be paid until the overpayment is resolved.