

## **IMPORTANT ITEMS IF YOU DECIDE TO USE THE PLAN'S QDRO FORM**

The Southern New England Carpenters Annuity Plan (the "Plan") is a tax-qualified "defined contribution" retirement plan under the Code and ERISA. In connection with the preparation of any QDRO, the parties and their attorneys should keep the following information in mind:

- ▶ **Division of Benefits.** The attached "Form QDRO" has been designed to address situations where a Participant has money in his or her Plan Account(s) and has not commenced receiving benefits (i.e., the Form QDRO is intended to be a "separate interest" QDRO). In addition, the Form is structured that the parties may elect to assign either a specified: (a) dollar amount, OR (b) percentage, of the Participant's entire Plan interest as of a particular date. For this purpose, a Participant's "entire Plan interest" consists of all of his or her Plan Accounts, including any Regular Account (employer contributions) and/or Voluntary Account (after-tax contributions made by Participant to the Plan), reduced by the amount of any outstanding loan to such Participant pursuant to Article XIV of the Plan. The Form QDRO also covers many other important items, such as how an Alternate Payee's new Plan Account(s) will be established, the Fund's applicable Administrative Fee, and distribution options of the Alternate Payee. Of course, the Plan's Form QDRO is simply a model which has been prepared by the Plan for the convenience of its Participants and potential Alternate Payees, and parties to divorce or separation proceedings are free to structure a domestic relations in any manner they choose as long as the order complies with the appropriate requirements of the Code and ERISA.

Note that if a Plan Participant has already received a full distribution of his or her Account(s) in a lump sum prior to the entry of a finalized QDRO, that QDRO will be of no effect because there are no Plan benefits to assign.

Also, if a Plan Participant is currently receiving *periodic benefit payments* (for example, in the form of a Ten Years Certain and Life Annuity or equal monthly installments), you should contact the Fund Office to determine the benefit form selected by the Participant and any associated death benefits which may be available. As a Participant's Plan benefits, and the form of payment, cannot normally be changed after benefits commence, this Form would need to be altered to reflect a "shared payment" QDRO approach. For helpful information on shared interest QDROs provided by the U.S. Department of Labor's Employee Benefits Security Administration, please visit the following website and see "Appendix C":

<https://www.dol.gov/sites/default/files/ebsa/about-ebsa/our-activities/resource-center/publications/qdros.pdf>

### **Other Considerations:**

- ▶ Please review Section IV of the Fund's *Procedures for Determining the Qualified Status of Domestic Relations Orders* for critical information regarding the use of this Form.
- ▶ This Form is designed to address situations where a Participant assigns benefits to an Alternate Payee who is a former spouse in connection with a divorce. This Form will need to be modified if the Participant's benefits are to be assigned for any other purpose, such as to satisfy outstanding child support obligations.
- ▶ While this Form is structured to be approved by the Participant and Alternate Payee (along with any applicable legal counsel of the Participant and/or Alternate Payee) through their signatures, the signature of these individuals is not legally required on a finalized domestic relations order. Accordingly, the Fund Office will accept any order which meets the applicable legal requirements of the Code and ERISA, even if such order is not signed by the Participant, Alternate Payee and/or any applicable legal counsel of the Participant and/or Alternate Payee.
- ▶ A court-certified copy of the finalized order, signed by judge/other authorized individual, must be provided to the Fund Office for the order to be properly processed. If the order is filed in Connecticut, the Fund Office would also accept a copy of the Recordation of Filing document which corresponds with the applicable Entry Number as noted on the Connecticut Judicial website for the relevant case.

**SOUTHERN NEW ENGLAND CARPENTERS ANNUITY FUND**

SAMPLE FORM FOR  
PREPARATION OF QUALIFIED DOMESTIC RELATIONS ORDER  
(Instructions in Italics)

***[JURISDICTION]***

WHEREAS, the marriage between plaintiff and defendant was terminated pursuant to a Judgment dated  *[date]* ; and

WHEREAS, this QUALIFIED DOMESTIC RELATIONS ORDER (the "Order") provides for the division and disposition of all or part of the vested benefits accrued by  *[name]*  (the Annuity Plan "Participant") under the Southern New England Carpenters Annuity Plan (the "Plan") and grants  *[name]*  (the "Alternate Payee") rights in such benefits on the terms set forth in this Order; and

WHEREAS, this Order has been issued pursuant to state domestic relations law which relates to the provision of child support, alimony payments, or marital property rights of the Alternate Payee; and

WHEREAS, this Order is intended to constitute a Qualified Domestic Relations Order (a "QDRO") satisfying the requirements of Section 414(p) of the Internal Revenue Code of 1986, as amended (the "Code") and Section 206(d) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and is to be administered and interpreted accordingly.

NOW, THEREFORE, GOOD CAUSE HAVING BEEN SHOWN, IT IS HEREBY ORDERED THAT:

1. Addresses.

The name and current mailing address of the Participant are:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The name and current mailing address of the Alternate Payee are:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The Alternate Payee shall keep the Fund Director informed of his or her current address and telephone number. In the event the Fund requires a Participant's and/or Alternate Payee's Date of Birth, Social Security Number or Telephone Number, such information may be provided in a separate document provided to the Fund Director at the address below.

In addition, notice of any change of address and/or telephone number shall be made in writing to the Fund Director, addressed as follows:

Fund Director  
Southern New England Carpenters Annuity Fund  
10 Broadway  
Hamden, CT 06518

(or to such other address as the Fund Director may specify in a written notice).

2. Benefits Assigned to Alternate Payee.

The Participant hereby assigns to the Alternate Payee, upon the conditions hereinafter set forth, [*select one of the following*] {\$\_\_\_\_\_} or {\_\_\_\_\_ percent of the value} of the Participant's Account as of  [date]  (the "Assigned Benefit"). For purposes of determining the value of the "Participant's Account," the Plan shall determine the total amount in any Regular and/or Voluntary Account of the Participant under the terms of the Plan as of the specified date,

and shall then reduce that total amount by any outstanding loan amount to such Participant pursuant to Article XIV of the Plan as of the specified date. In addition, the Assigned Benefit shall be reduced by \$\_\_\_\_\_ to cover all or a portion of the fee that the Plan charged to the Participant's account to defray the costs of reviewing this Order. In addition, the Assigned Benefit shall be adjusted for net investment results, and any expenses, from the date specified above to the date a new separate Fund Account is established in the name of Alternate Payee.

As of the date the Assigned Benefit is placed in a separate Account (for this purpose, a Regular Account, a Voluntary Account, or both, as the circumstances dictate) in the name of the Alternate Payee, such Account shall be prospectively credited or debited, as applicable, with net investment results and charged expenses under the rules of the Plan, until the date of distribution in the same manner as any other participant's Fund account. Furthermore, once the assignment is made to the Alternate Payee as described herein, the Participant will continue to be entitled to the remaining value of his or her Fund Account, as well as to any future employer contributions and/or voluntary contributions made to his or her Account.

3. Method of Payment.

Provided that the Alternate Payee so elects on the Alternate Payee's Application for Benefits, the entire value of the Assigned Benefit shall be paid in a lump sum. Such lump sum payment shall be made in accordance with Paragraph 4. If the Alternate Payee does not elect a lump sum payment, the Assigned Benefit shall be paid in accordance with the Alternate Payee's election on his or her Application for Benefits except that in no event may the Alternate Payee elect payment of the Assigned Benefit in the form of a joint and survivor annuity with a subsequent spouse (known under the Plan as the "Joint-and-Survivor Annuity" benefit forms).

4. Payment.

The Alternate Payee shall be eligible to receive payment of the Assigned Benefit beginning on or after the first day of the month following the "earliest retirement age" of the Participant as defined in section 414(p)(4)(B) of the Code. In accordance with such definition, under the terms of the Plan in effect as of January 2019, the Alternate Payee would be eligible to receive payment of the Assigned Benefit beginning on or after the first day of the month after the earliest of the following dates: (a) the Participant's 50th birthday; (b) the date the Participant is determined to be disabled by the Trustees of the Plan in accordance with the terms of the Plan; or (c) the date the Participant incurs a break in service in accordance with the terms of the Plan.

Any payment of the Assigned Benefit shall commence as soon as possible after the Alternate Payee submits a completed Application for Benefits to the Trustees and receives their approval, except that payment of the Assigned Benefit may not begin later than the April 1<sup>st</sup> following the year in which the Participant reaches, or would have reached, age 70-1/2.

5. Disposition of Assigned Benefit at Death.

(a) Death of the Participant. The death of the Participant after the date of the approval of this QDRO by the Plan will have no effect on the rights of the Alternate Payee to the Assigned Benefit. Any pre-retirement or post-retirement death benefit, other than the Assigned Benefit, which may be payable due to the death of the Participant shall be paid to the beneficiary designated by the Participant under the Plan's regular rules.

(b) Death of the Alternate Payee.

(i) *After lump sum payment of the Assigned Benefit.* If the Alternate Payee has elected payment of the Assigned Benefit in a lump sum and dies after such payment has been made to the Alternate Payee, no further benefits are payable.

(ii) *After payment of the Assigned Benefit in a form other than a lump sum.* If the Alternate Payee has elected payment of the Assigned Benefit in a form other than a lump sum and has begun to receive payment of the Assigned Benefit in such form, the payment of any death benefits associated with the Assigned Benefit upon the death of the Alternate Payee shall be made in accordance with the terms of the Plan as then in effect.

(iii) *Before any payment of the Assigned Benefit.* If the Alternate Payee dies before any payment of the Assigned Benefit has been made to the Alternate Payee, the designated Beneficiary of the Alternate Payee, if then living, will be entitled to the value of the Alternate Payee's Account in a lump sum. If the designated Beneficiary is not living when the circumstances described in the preceding sentence occur, the value of the Alternate Payee's Account will be paid in a lump sum to the estate of the Alternate Payee.

6. Designation of Beneficiary.

The Alternate Payee may designate a Beneficiary under the Plan's regular rules. No subsequent spouse of the Alternate Payee shall have any right under the Plan to the Assigned Benefit, except as the designated Beneficiary of the Alternate Payee. If no Beneficiary has been designated by the Alternate Payee, the estate of the Alternate Payee shall be deemed to be the designated Beneficiary entitled to receive any death benefits.

7. Additional Provisions.

(a) In case of conflict between the terms of this Order and the terms of the Plan, the terms of the Plan shall prevail. This Order shall not be deemed qualified under Section 414(p) of the Code and Section 206(d) of ERISA, and shall not be enforceable against the Plan or the benefits of the Participant under the Plan until approved by the Plan.

(b) If the Plan is terminated, any benefits due the Alternate Payee will be distributed under the termination provisions of the Plan.

(c) The Court shall retain jurisdiction to amend this Order for the limited purpose of establishing or maintaining its qualification as a QDRO; provided that no amendment of this Order shall require the Plan to provide any form of benefit, option or increase in benefits not otherwise provided under the Plan. If this Order is amended, copies of such amendment (which have been certified by the clerk of the appropriate court) should be provided to the Fund Director at the address noted in Section 1 as soon as possible. Upon receipt of any amendment, the Plan shall proceed in determining whether the amended order is a QDRO in the same manner as an initial order.

(d) All notices to be given or documents to be sent to the Plan shall be addressed in accordance with Section 1, and shall not be deemed given to the Plan unless actually received (or sent by certified mail, return receipt requested).

(e) Except to the extent provided in Internal Revenue Service ("IRS") Notice 89-25, or subsequent guidance from the IRS, distributions to the Alternate Payee under this Order shall be taxable to the Alternate Payee and not to the Participant in accordance with Code §402(e)(1)(A). With respect to any Plan distribution made pursuant to this Order, the Plan shall withhold any applicable federal, state or local income taxes as may be required by law or applicable regulations, and/or that may be elected in accordance with a properly completed election submitted to the Plan by the Alternate Payee (or the Alternate Payee's legal representative) or Participant.

(f) If a distribution made pursuant to this Order is an eligible rollover distribution as defined by Code §402(c)(4) and associated regulations, such distribution shall be eligible for direct transfer treatment under Code §401(a)(31) in accordance with Plan provisions.

(g) The Participant and the Alternate Payee shall hold the Plan (and its trustees, sponsors, employees and fiduciaries) harmless from and against any claims, expenses, actions or liabilities which arise from paying benefits to the Alternate Payee (or the Alternate Payee's beneficiary, beneficiaries, heir or heirs) in accordance with this Order, including all reasonable attorneys fees which may be incurred in connection with any claims which are asserted because the Plan honors this Order.

(h) The Plan and its trustees, sponsors, employees and fiduciaries shall not be responsible for any attorneys' fees incurred by the Participant, or the Alternate Payee or their beneficiaries or heirs in connection with obtaining or enforcing this Order.

(i) Notwithstanding anything contained herein, this Order shall not require the Plan to provide any type or form of benefit or any option not otherwise provided under the Plan, shall not require the Plan to provide increased benefits (determined on the basis of actuarial value), and shall not require the payment of any benefits to the Alternate Payee that are required to be paid to another alternate payee under another qualified domestic relations order.

DATED: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
JUDGE/OTHER AUTHORIZED INDIVIDUAL

APPROVED:

\_\_\_\_\_  
Participant

\_\_\_\_\_  
Attorney for the Participant

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone # \_\_\_\_\_  
Facsimile # \_\_\_\_\_

\_\_\_\_\_  
Alternate Payee

\_\_\_\_\_  
Attorney for the Alternate Payee

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone # \_\_\_\_\_  
Facsimile # \_\_\_\_\_