

**QUALIFIED DOMESTIC RELATIONS ORDER PROCEDURES FOR
CENTRAL LABORERS' PENSION FUND,
A DEFINED BENEFIT RETIREMENT PLAN
(Separate Interest QDRO)**

Central Laborers' Pension Fund (the "Plan" or the "Fund") has established these procedures to determine the qualified status of a "separate interest" domestic relations order ("QDRO") pursuant to Section 414(p)(6)(B) of the Internal Revenue Code ("Code") and Section 206(d)(3)(G)(ii) of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan documents dictate how administrative matters are handled under the Plan. It is therefore extremely important to confirm with the Plan administrator what additional steps under the Plan documents are required to ensure the outcome contemplated in the divorce settlement. A "separate interest" QDRO assigns to an "Alternate Payee" (as defined below) a portion of a Plan Participant's accrued benefit, actuarially segregated and payable independently of the Participant's benefit commencement. (Procedures for a "shared payment" Pension QDRO, which is distinct from a "separate interest" DRO described hereinbelow, are available at www.central-laborers.com. Procedures for a QDRO affecting Central Laborers' Annuity Fund benefits are available at the same website).

I. REQUIREMENTS FOR A PENSION QDRO

Pursuant to Code Section 414(p), a QDRO is defined as follows.

A. THE ORDER MUST BE A DOMESTIC RELATIONS ORDER (DRO)

1. A DRO is defined as any judgment, decree or order (including a property settlement agreement);
2. The DRO must relate to the provision of child support, alimony payments or marital property rights to a spouse, former spouse, or child or other dependent of a Participant ("Alternate Payee");
3. The DRO must be made pursuant to state domestic relations law (including a community property law); and
4. The DRO must create or recognize the existence of an Alternate Payee's right, or assign to an Alternate Payee the right, to receive all or a portion of the benefits accrued with respect to a Participant under a Plan.

B. THE DRO MUST STATE THE FOLLOWING FACTS

1. The name and last known address of both the Participant and the Alternate Payee (for identification and benefit payment purposes, the Plan requires that the dates of birth for both the Participant and the Alternate Payee also be included in the Order or in a separate Notice of Confidential Information);

2. The Social Security numbers for both the Participant and the Alternate Payee (or, alternatively, this information may be furnished directly to the Plan's Pension Director in a separate Notice of Confidential Information);
3. The amount or percentage of the Participant's benefits to be assigned by the Plan to the Alternate Payee (or the manner in which such amount or percentage is to be determined); and
4. A Statement that the Order applies to "Central Laborers' Pension Fund."

C. A DRO MAY NOT PROVIDE FOR THE FOLLOWING

1. The Order may not require the Plan to provide any type or form of benefit or any option not otherwise provided under the Plan;
2. The Order may not require the Plan to provide increased benefits (determined on the basis of actuarial value); and
3. The Order may not require the award of benefits to an Alternate Payee that have been awarded to another alternate payee under another order previously determined to be a QDRO.

II. RECEIPT OF A DOMESTIC RELATIONS ORDER

A. NOTIFICATION OF RECEIPT OF A DRO

1. Upon receipt of a DRO by the Fund Office, written notification will be provided to the Participant and the Alternate Payee of the receipt of such Order by mail; such notification shall be sent to the addresses provided in the Order. If, however, the Participant and/or the Alternate Payee submit a written designation of a representative to receive any further communications, such written notification shall be sent to the representative instead. If a DRO is initially sent directly to the Fund's attorneys, the notification to the Participant, Alternate Payee and/or their legal representatives, will be included in the Fund's attorneys' review as described below in Section II. B.
2. The written notification to the Participant and the Alternate Payee by the Fund will include language referencing these QDRO procedures which are available at www.central-laborers.com or provided upon written request.

B. REVIEW OF THE DRO

1. The Order shall be evaluated by the Fund's attorneys in accordance with the provisions of Code Section 414(p) and ERISA Section 206(d)(3) and the terms and procedures of the Plan.

2. If the Fund's attorneys determine that the Order meets the requirements of a QDRO, the parties (or their legal counsel) will be provided with the attorneys' interpretation of the Order by mail or email and asked to provide brief written confirmation of their agreement with that interpretation.
3. If the Fund's attorneys determine that the Order fails to meet the requirements for a QDRO, the parties (or their legal counsel) shall be notified by mail or email. Such notification shall contain an explanation for the negative determination.
4. If the sole reason for the non-qualification of the Order is that the Order has not yet been entered by the Court, the Order shall be considered "pre-qualified" and the parties (or their legal counsel) shall be notified accordingly by mail or email. The parties are encouraged to seek such "pre-qualification" prior to entry of the Order by a court.
5. Upon receipt of written confirmation that the parties (or their representatives) are in agreement with the Fund's attorneys' interpretation of the Order and a certified copy of the Order after its entry by the Court, the parties shall be notified in writing by the Fund that the Order has been accepted as "qualified" and given instruction regarding the effectuation of the provisions of the QDRO.

III. RESTRICTION ON DISTRIBUTION OF BENEFITS

A. NOTICE OF AN ADVERSE CLAIM

Upon receipt of one of the documents listed below, an administrative hold shall be placed on the Participant's Plan account. Such an administrative hold shall serve as an indication that a possible QDRO is pending, and distribution of benefits shall be restricted.

1. Written notification of an adverse claim submitted by a potential Alternate Payee or his or her representative.
2. Receipt of a DRO, including a proposed Order or other document that indicates that an ex-spouse was awarded an interest in the Plan.

B. RELEASE OF ADMINISTRATIVE HOLD

Upon receipt of one of the documents listed below, an administrative hold that has been placed on a Participant's Plan account shall be removed.

1. A divorce decree, judgment, or property settlement agreement that unambiguously provides that the Participant is awarded 100% of his or her interest in the Plan.

If the document is silent on the issue of retirement benefits, the Fund will presume that the Participant's ex-spouse was not awarded any share of his/her interest in the Plan, or in its discretion, may investigate further, which may include contacting either party's legal counsel for clarification.

2. A QDRO whose terms have been implemented.
3. A subsequent court Order vacating the QDRO.
4. If a QDRO has not yet been entered by the Court, a written, signed, and notarized irrevocable waiver by the Participant's ex-spouse of his or her interest in the Participant's Plan benefit; otherwise, a subsequent court order vacating the QDRO may be required.
5. Notwithstanding any language to the contrary contained in these procedures, the Plan will not treat any draft, proposed, or unsigned DRO as received for purposes of ERISA § 206(d)(3) and the 18-month segregation limitation described below unless and until a court-entered Order is received.

C. SEGREGATION OF ACCOUNT

If the Participant's benefits are presently payable at such time that an Order is received by the Plan, upon receipt of the Order or as soon as administratively feasible thereafter, the Fund shall segregate the amount assigned to the Alternate Payee in the Order depending on the directives of the Court and the administration of payment by the Plan. (For the purposes of this provision, any segregated amount is merely an internal accounting of an Alternate Payee's potential interest in the Plan. *If benefits are not immediately payable to the Participant, then this provision regarding the segregation of benefits shall not apply.*)

1. If within an 18-month period (which begins on the month the first payment would be required to be made to the Alternate Payee if the Order was a QDRO) the Fund determines that the Order is a QDRO, the Fund shall direct the payment related to the segregated amounts to the Alternate Payee in accordance with the terms of the QDRO.
2. If during the 18-month period the Fund determines that the Order is not a QDRO, the segregated amounts will continue to be held by the Plan pending receipt of a subsequent modified Order. If, however, the parties provide evidence satisfactory to the Plan that no subsequent Order will be sought, the segregated amounts shall be released as if there had been no Order.
3. If at the end of the 18-month period the Fund determines that the Order is not a QDRO or the issue is not satisfactorily resolved by the parties, the

Fund shall release the segregated amounts to the Participant, as if there had been no Order, in accordance with the terms of the Plan.

4. If the determination that the Order is a QDRO is made more than 18 months after the amounts had been segregated, payments to the Alternate Payee shall be applied on a prospective basis only.

IV. SUBSTANTIVE ISSUES IN DETERMINING AN ORDER'S QUALIFIED STATUS

A. WHEN PAYMENTS ARE TO BEGIN AND END

Pursuant to Code Section 414(p)(2)(C), a QDRO must specify the number of payments or the period to which the Order applies (i.e., when payments to an Alternate Payee are to begin and when they will end.)

1. Benefit Commencement

The earliest date that a QDRO may provide for an Alternate Payee to begin receiving benefits is the Participant's earliest retirement age under the Plan. If the Alternate Payee elects to receive benefits before the Participant's normal retirement age, the portion of the Participant's benefits assigned to the Alternate Payee shall be actuarially reduced as if the Participant had retired early on that date. The Alternate Payee's benefits shall then be actuarially adjusted to reflect his or her age (if the benefit is to be payable over his or her lifetime) and benefit payment option.

2. Date Benefits Are to Cease

The benefits payable to the Alternate Payee will be treated as a separate annuity and segregated amounts will *not* revert to the Participant if the Alternate Payee predeceases the Participant after the Alternate Payee's benefits have commenced. In addition, the Participant's death *after* the Alternate Payee commences benefit payment will not affect the Alternate Payee's right to receive benefits over his or her own lifetime.

B. FORM OF PAYMENT

The Alternate Payee will receive his or her benefit in the form of a single life annuity with no survivor benefits.

C. ADDITIONAL BENEFITS

The Alternate Payee shall not share in any additional benefits that the Participant might receive, such as a temporary supplemental allowance, cost-of-living adjustment, or any early retirement enhancement unless the QDRO specifically states that the Alternate Payee is entitled to a portion of such benefits. If the QDRO

is silent on the issue, the Alternate Payee shall not be entitled to any additional benefits.

D. PRERETIREMENT SURVIVING SPOUSE ISSUES

1. The Order may provide for the Alternate Payee to be treated as the Participant's surviving spouse under the Plan in the event of the death of the Participant before the Participant's commencement of retirement benefits.
2. The Alternate Payee shall not be considered the surviving spouse of the Participant unless the Order specifically provides for such a designation. Such surviving spouse designation may be made with respect to all or part of the Participant's benefits (subject to the terms of any other QDRO to which the Participant is a party). The QDRO must specify the extent to which the Alternate Payee is to be treated as a surviving spouse. If the parties intend that the Alternate Payee and a subsequent spouse of the Participant are to share the survivor's benefit, the QDRO should specifically state that the Alternate Payee's surviving spouse benefit is limited to the specific portion of the Participant's benefit assigned therein.
3. If the Participant dies before his or her earliest eligible retirement age under the Plan, the Alternate Payee will not be entitled to receive the portion of the benefits awarded under the QDRO (including a separate annuity based on the Alternate Payee's own lifetime). The only benefit payable in such case would be a surviving spouse benefit and only to the extent the QDRO provides for the Alternate Payee to be considered the Participant's surviving spouse for purposes of the preretirement survivor annuity.
4. Upon the Alternate Payee's benefit commencement date of the benefit awarded to him or her under the QDRO, such surviving spouse designation shall no longer be applicable.

V. SEPARATE INTEREST DIVISION

A "Separate Interest" division means the Participant's earned pension benefit is divided into two separate portions with the intent of assigning the Alternate Payee one portion as his/her own, separate and apart from the Participant's remaining portion. This is a common approach in divorce or legal separation proceedings when the Participant is not yet receiving benefit payments.

VI. DISTRIBUTION OF BENEFITS PURSUANT TO A QDRO

A. BENEFIT NOT IMMEDIATELY PAYABLE

If pursuant to the terms of the Plan or the QDRO (or both) the Alternate Payee's benefit is not immediately payable, it shall be noted in the Participant's file that the Participant's benefit is subject to a QDRO and such file shall contain pertinent information regarding the Alternate Payee and the terms of the QDRO.

B. BENEFIT IMMEDIATELY PAYABLE

If, or when, pursuant to the terms of the Plan and the QDRO, the Alternate Payee is or becomes eligible for benefit commencement, the Alternate Payee must contact the Plan at the following address to request an application benefit commencement:

Central Laborers' Pension Fund
Attn: QDRO Administrator
P.O. Box 1267
Jacksonville, IL 62651-1267

VII. SAMPLE LANGUAGE

The Plan does not have a mandatory "separate interest" Pension QDRO form; however, sample "separate interest" Pension QDRO language which has previously been accepted as "qualified" by the Plan is available at www.central-laborers.com.

VIII. AMENDMENT; CONFLICT

These procedures may be amended at any time. In the event of conflict between these procedures and the Plan document, the Plan document shall control.