

**SHEET METAL WORKERS LOCAL 49
DEFINED CONTRIBUTION PENSION TRUST FUND**

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**IMPORTANT INFORMATION CONCERNING
QUALIFIED DOMESTIC RELATIONS ORDERS AND THE
SHEET METAL WORKERS LOCAL 49 DEFINED CONTRIBUTION PENSION PLAN**

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INTRODUCTION

If you are involved in a divorce or other domestic relations proceeding that might allocate some of the benefits you have earned under the Sheet Metal Workers Local 49 Defined Contribution Plan, these materials will provide you with important information. A federal law, the Employee Retirement Income Security Act (“ERISA”) provides that a domestic relations order may allocate retirement benefits to a non-employee spouse, former spouse, child, or other dependent if the retirement fund determines that the order meets certain legal requirements that makes it a Qualified Domestic Relations Order (“QDRO”).

DEFINITIONS

A **domestic relations order** is any judgment, decree, or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent of the Plan Participant, and is made pursuant to a state domestic relations law (including community property law).

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 the Plan with respect to the Participant.

The term **qualified domestic relations order** means a domestic relations order that (a) 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 with respect to a Participant under the Retirement Plan, and (b) clearly specifies:

1. the name and last known mailing address (if any) of the Participant and the name and mailing address of 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 such 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
4. each plan to which such order applies.

In addition, a domestic relations order meets the requirements to be a QDRO only if the order:

1. does not require a plan to provide any type or form of benefit, or any option, not otherwise provided under the Plan,
2. does not require the plan to provide increased benefits (determined on the basis of actuarial value), and
3. does not require 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 QDRO.

TYPE OF RETIREMENT PLAN

The Sheet Metal Workers Local 49 Defined Contribution Pension Plan is a defined contribution plan. If you are preparing a QDRO you should carefully review the booklet that contains the Summary Plan Description, the Defined Contribution Plan Rules, as well as any amendments to the Plans issued since the booklet was produced.

Sheet Metal Workers Local 49 also participates in the **Sheet Metal Workers National Pension Plan**, a defined benefit pension plan. Anyone who prepares a QDRO that adjudicates rights in the Sheet Metal Workers Local 49 Defined Contribution will want to consider whether to include National Pension Plan benefits as well. That Plan is administered separately and proposed and final QDROS should be sent its Administrator for review and/ or qualification. Please contact the National Pension Plan directly:

Sheet Metal Workers National Pension Plan
Edward F. Carlough Plaza
601 North Fairfax Street, Suite 500
Alexandria, Virginia 22314-2075
Telephone: (703) 739-7000
Fax: (703) 683-0932

DRAFTING OF QDROS

The Plan is not allowed to pay benefits to an Alternate Payee unless required to do so by a QDRO. It is therefore important that the QDRO be drafted in a manner that will meet the statutory requirements, so that implementation of the QDRO will not be delayed while you or your attorney go through numerous re-drafts of the order.

A model QDRO is included in these materials. You are welcome, but not required, to use it if it is applicable to you. **Please note that the Plan does not give legal advice and that the use of the model will not be appropriate for all circumstances. Participants and potential Alternate Payees should seek competent legal and tax advice before preparing a QDRO, even if it is based on the model.**

It is strongly recommended that you **submit a draft of your QDRO to the Fund Office before you have a QDRO entered by a court** so that deficiencies may be corrected without the parties having to go through the delay and expense of having the order rescinded and another order entered.

Any person preparing a QDRO, even if it is based on the model QDRO attached, should review the Summary Plan Description ("SPD") and the Plan Rules. Copies of the SPD are given to all Participants. Additional copies and copies of the Plan Rules are available from the Fund Office. The model QDRO is just an example and will not be appropriate in all circumstances.

QDROs, the Division of Pensions Through Qualified Domestic Relations Orders,

1997, is a publication of the U. S. Department of Labor, Employee Benefits Security Administration ("EBSA") that can be helpful. It is available by calling the EBSA at 1-866-444-3272 or on the Internet at <http://www.dol.gov/dol/ebsa>. It is also available to sensory impaired individuals by calling 1-877-889-5627.

INFORMATION ABOUT THE PARTICIPANT'S ACCOUNT BALANCE

If the Participant (or a representative designated by the Participant in writing) would like to get information concerning the Participant's account balance, he or she should submit this request in writing to the Fund Office.

Specific information about a Participant can only be provided in writing. Information can only be provided to a family member or a former spouse with either the written consent of the Participant or by order of a court of competent jurisdiction. The Trust Fund may submit the information to the Court under seal if the Trustees determine that under the circumstances it is prudent to do so.

PROCEDURES FOR PROCESSING DOMESTIC RELATIONS ORDERS

1. Upon receipt of a domestic relations order ("DRO"), the Fund Office shall date-stamp the order and send the Participant and all Alternate Payees, at the address specified in the domestic relations order:

- a. a completed copy of Initial Notice of Receipt of DRO;
- b. a copy of these Procedures for Processing Domestic Relations Orders.

2. The Participant and any Alternate Payee may each designate in writing a representative to receive copies of any notices that are sent to them with respect to the domestic relations order.

3. Within a reasonable period of time after receipt of the domestic relations order, the Fund Office, in consultation with Fund counsel and, if necessary, other advisors, shall determine whether the order is a Qualified Domestic Relations Order ("QDRO").

4. During the time in which the issue of whether the order is a QDRO is being determined by the Fund Office or by a court of competent jurisdiction, up to a maximum of 18 months, the Fund Office shall separately account for the amounts which would have been payable to the Alternate Payee if the order had been determined to be a QDRO. The balance of the Participant's benefits shall be available to the Participant if eligible for distribution under the Plan Rules.

5. The Participant, all Alternate Payees, and their designated representatives shall be notified in writing of the Fund's decision concerning the qualified status of the order. The notice shall state one of the following:

- a. the order is a QDRO; or
- b. the order is not a QDRO and the manner in which it is deficient; or
- c. the Trust Fund is unable to determine whether or not the order is a QDRO and the reason for the uncertainty as to its status.

If the Participant or any Alternate Payee disagrees with the determination he or she may appeal the decision to the Board of Trustees within 60 days of the date shown on the Notice of Determination. The request must be in writing, stating the reasons for disputing the decision, with copies of any substantiating evidence.

6. Upon final determination that an order is a QDRO, the Fund Office shall distribute any segregated amounts to the Alternate Payee's account in accordance with the QDRO and the Plan Rules. Upon a final determination that an order is not a QDRO, the

Fund Office shall distribute any segregated amounts to the Participant's account in accordance with the Plan Rules.

7. For purposes of these procedures, a "final determination" shall mean:

a. a determination by the Fund of the qualified status of the order and that, upon verification of the parties, that determination will not be the subject of an appeal or an amended order; or

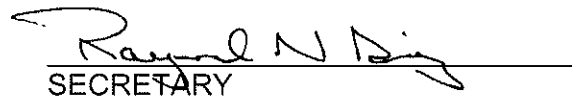
b. a determination by the Trustees on appeal of the Fund Office's determination of the qualified status of an order.

8. If a final determination is not made within 18 months of the receipt of the original order, any segregated amounts shall be credited to the Participant. Any determination that an order is a QDRO made after the close of the 18 month period shall be applied prospectively only.

9. Unless the Alternate Payee wishes to commence his or her receipt of benefits at the same time as the Participant, it is the responsibility of the Alternate Payee to apply for any benefit to which he or she may be entitled in advance of his or her effective date and in the manner and form prescribed by the Trustees.

ADOPTED by the Board of Trustees at a duly called meeting on May 7, 2008.


CHAIRMAN


SECRETARY

ERISA PROVISIONS ON QUALIFIED DOMESTIC RELATIONS ORDERS

ERISA §§ 206 (d)(1) and (3), as of January 1, 2008:

(1) Each pension plan shall provide that benefits provided under the plan may not be assigned or alienated.

(2) [not related to domestic relations orders.]

(3)(A) Paragraph (1) shall apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a participant pursuant to a domestic relations order, except that paragraph (1) shall not apply if the order is determined to be qualified domestic relations order. Each pension plan shall provide for the payment of benefits in accordance with the applicable requirements of any qualified domestic relations order.

(B) For the purposes of this paragraph --

(i) the term "qualified domestic relations order" means a domestic relations order:

(I) which 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 with respect to a participant under a plan, and

(II) with respect to which the requirements of subparagraphs (C) and (D) are met, and

(ii) the term "domestic relations order" means any judgement, decree, or order (including approval of a property settlement agreement) which --

(I) relates to the provision of child support, alimony payments or marital property rights to a spouse, former spouse, child, or other dependent of a participant, and

(II) is made pursuant to a State domestic relations law (including a community property law)

(C) A domestic relations order meets the requirements of this subparagraph only if such order clearly specifies:

(i) The name and the last known mailing address (if any) of the participant and the name and mailing address of each alternate payee covered by the order,

(ii) the amount or percentage of the participant's benefits to be paid by the plan to each such alternate payee, or the manner in which such amount or percentage is to

be determined,

(iii) The number of payments or period to which such order applies, and

(iv) each plan to which such order applies,

(D) A domestic relations order meets the requirements of this subparagraph only if such order:

(i) does not require a plan to provide any type or form of benefit, or any option, not otherwise provided under the plan

(ii) does not require the plan to provide increased benefits (determined on the basis of actuarial value), and

(iii) does not require 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.

(E) (i) A domestic relations order shall not be treated as failing to meet the requirements of clause (i) of subparagraph (D) solely because such order requires that payment of benefits be made to an alternate payee --

(I) in the case of any payment before a participant has separated from service, on or after the date on which the participant attains (or would have attained) the earliest retirement age,

(II) as if the participant had retired on the date on which such payment is to begin under such order (but taking into account only the present value of benefits actually accrued and not taking into account the present value of any employer subsidy for early retirement), and

(III) in any form in which such benefits may be paid under the plan to the participant (other than in the form of a joint and survivor annuity with respect to the alternate payee and his or her subsequent spouse). For purposes of subclause (II), the interest rate assumption used in determining the present value shall be the interest rate specified in the plan or, if no rate is specified, 5 percent.

(ii) For purposes of this subparagraph, the term "earliest retirement age" means the earlier of --

(I) the date on which the participant is entitled to a distribution under the plan, or

(II) the later of the date the participant attains age 50 or the earliest date on which the participant could begin receiving benefits under the plan if the participant separated from service.

(F) To the extent provided in any qualified domestic relations order --

(i) the former spouse of a participant shall be treated as a surviving spouse of such participant for purposes of section 205 [29 USCS § 1055] (regarding the Joint Survivor Annuity and Preretirement Survivor Annuity) (and any spouse of the participant shall not be treated as a spouse of the participant for such purposes), and

(ii) if married for at least 1 year, the surviving former spouse shall be treated as meeting the requirements of section 205(f) [29 USCS § 1055(f)] (regarding the minimum term of marriage).

(G) (i) In the case of any domestic relations order received by a plan --

(I) the plan administrator shall promptly notify the participant and each alternate payee of the receipt of such order and the plan's procedures for determining the qualified status of domestic relations orders, and

(II) within a reasonable period after receipt of such order, then plan administrator shall determine whether such order is a qualified domestic relations order and notify the participant and each alternate payee of such determination.

(ii) Each plan shall establish reasonable procedures to determine the qualified status of domestic relations orders and to administer distribution under such qualified orders. Such procedures:

(I) shall be in writing,

(II) shall provide for the notification of each person specified in a domestic relations order as entitled to payment of benefits under the plan (at the address included in the domestic relations order) of such procedures promptly upon receipt by the plan of the domestic relations order, and

(III) shall permit an alternate payee to designate a representative for receipt of copies of notices that are sent to the alternate payee with respect to a domestic relations order.

(H) (i) During any period in which the issue of whether a domestic relations order is a

qualified domestic relations order is being determined (by the plan administrator, by a court of competent jurisdiction, or otherwise), the plan administrator shall separately account for the amounts (hereinafter in this subparagraph referred to as the "segregated amounts") which would have been payable to the alternate payee during such period if the order had been determined to be a qualified domestic relations order.

(ii) If within the 18-month period described in clause (v) the order (or modification thereof) is determined to be a qualified domestic relations order, the plan administrator shall pay the segregated amounts (including any interest thereon) to the person or persons entitled thereto.

(iii) If within the 18-month period described in clause (v) --

(I) it is determined that the order is not a qualified domestic relations order, or

(II) the issue as to whether such order is a qualified domestic relations order is not resolved,

then the plan administrator shall pay the segregated amounts (including any interest thereon) to the person or persons who would have been entitled to such amounts if there had been no order.

(iv) Any determination that an order is a qualified domestic relations order which is made after the close of the 18-month period described in clause (v) shall be applied prospectively only.

(v) For purposes of this subparagraph, the 18-month period described in this clause is the 18-month period beginning with the date on which the first payment would be required to be made under the domestic relations order.

(I) If a plan fiduciary acts in accordance with part 4 [29 USCS §§ 1101 *et seq.*](regarding Fiduciary Responsibility) of this Subtitle in --

(i) treating a domestic relations order as being (or not being) a qualified domestic relations order, or

(ii) taking action under subparagraph (H),

then the plan's obligation to the participant and each alternate payee shall be discharged to the extent of any payment made pursuant to such Act.

(J) A person who is an alternate payee under a qualified domestic relations order shall be considered for purposes of any provision of this Act a beneficiary under the plan. Nothing

in the preceding sentence shall permit a requirement under section 4001 [29 USCS § 1301] of the payment of more than 1 premium with respect to a participant for any period.

(K) The term "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.

(L) This paragraph shall not apply to any plan to which paragraph (1) does not apply.

(M) Payment of benefits by a pension plan in accordance with the applicable requirements of a qualified domestic relations order shall not be treated as garnishment for purposes of section 303(a) of the Consumer Credit Protection Act.

(N) In prescribing regulations under this paragraph, the Secretary shall consult with the Secretary of the Treasury.

**SHEET METAL WORKERS LOCAL 49 DEFINED CONTRIBUTION
PENSION TRUST FUND**

ATTACHMENT: MODEL QDRO - PARTICIPANT NOT YET IN PAY STATUS

[Court Caption]

This order is intended to be a domestic relations order subject to determination by the Plan Administrator that it is a Qualified Domestic Relations Order (QDRO), as that term is defined in section 206(d) of the Employee Retirement Income Security Act of 1974 ("ERISA") and section 414(p) of the Internal Revenue Code of 1986 ("Code").

1. Identification of the Plan. This Order applies to the:

Sheet Metal Workers Local 49 Defined Contribution Pension Plan (the "Plan")
Employer ID# 74-2846833

2. Plan Participant Information.

The full name of the Plan Participant is _____

Current or last known address _____

Date of birth _____

Social Security number: The Participant will provide this to the Plan at the time that this Order is submitted to the Plan for qualification.

The Participant is not currently receiving benefits from the Plan.

3. Alternate Payee Information.

The Alternate Payee is the (list one: spouse, former spouse, child, other dependent [specify]) _____ of the Participant.

The full name of the Alternate Payee is _____

Current or last known address _____

Date of birth _____

Social Security number: The Participant or the Alternate Payee will provide this to the Plan at the time that this Order is submitted to the Plan for qualification.

4. Date of Marriage and Divorce. The Plan Participant and the Alternate Payee were married on _____, and were granted a divorce on _____.

INSTRUCTIONS: ERISA and the Internal Revenue Code permit the Plan to recognize a QDRO in circumstances other than divorce, such as the assignment of benefits to a participant's dependent child. Do not include paragraph 4 if the QDRO does not relate to the property rights of a former spouse.

5. Assignment of Benefits to Alternate Payee. The Alternate Payee is hereby assigned a share of the pension benefit that would otherwise be payable to the Plan Participant.

6. Alternate Payee's Share of Pension Benefit. Within 31 days of the receipt of this Order, the Plan Administrator shall instruct the Record Keeper to segregate \$ _____ into an individual account for the benefit of the Alternate Payee. This account will be credited with its proportionate share of investment yield and will be subject to applicable administrative charges.

7. Form of Payment to the Alternate Payee under the Pension Plan (Separate Entitlement). The Alternate Payee may elect to receive her/his share of the benefit in any form available under the Plan, except for a joint and survivor annuity with a subsequent spouse. If the Alternate Payee selects an annuity, it will be paid over the life of the Alternate Payee.

8. Death of Participant. Payments of the Alternate Payee's separate interest shall not be affected by the Participant's death.

9. Death of Alternate Payee Before Effective Date. If the Alternate Payee dies before establishing an Effective Date, the Alternate Payee's share will be paid to (choose one only):

- the person specified by the Alternate Payee in writing, if delivered to the Fund Office before the Alternate Payee's death; **OR**
- _____ [name], which designation can only be changed by a subsequent court order.

If there is no surviving beneficiary, the Alternate Payee's benefit will revert to the Participant.

10. Commencement of Benefits to the Alternate Payee. Upon written application to the Fund Office in accordance with the Plan Rules, the Alternate Payee may elect to begin receiving her/his share of the benefit at any time that the Participant is either eligible for a distribution under the Plan Rules or attains the earliest retirement age under the Plan, whether or not the Participant elects to receive a distribution at that time. If the Alternate Payee has not entered pay status prior to the Participant's Effective Date, the Alternate Payee will begin receiving her/his benefit as of the Participant's Effective Date.

11. Federal Tax Reporting. For Federal and state income tax purposes, the Alternate Payee shall be treated as the distributee of any distribution or payments made to the Alternate Payee by the Plan under the terms of this Order, and as such, will be required to pay the appropriate Federal and state income taxes on such distribution.

12. Compliance With Applicable Laws. The parties to this Order intend that it comply with applicable provisions of the Employee Retirement Income Security Act and the Internal Revenue Code. Nothing in this Order shall require the Plan:

- a. to pay any benefits not permitted under ERISA or the Code;
- b. to provide any type or form of benefit option not otherwise provided under the terms of the Plan;
- c. to pay total benefits with an actuarial value in excess of the actuarial value of the benefits the Participant otherwise would receive under the Plan; or
- d. to pay benefits to the Alternate Payee that are required to be paid to another alternate payee under another QDRO which was previously determined by the Plan Administrator to be a QDRO.

13. Miscellaneous. Both the Participant and the Alternate Payee shall execute, at such times as called for by the Plan, such forms and other documents as shall be reasonably required by the Plan to give effect to this Order. Both the Participant and the Alternate Payee shall keep the Plan advised as to their current addresses at all pertinent times.

14. Continued Jurisdiction. The Court retains jurisdiction over this matter to amend

this Order to establish or maintain is status as a QDRO under ERISA and the Code.

IT IS SO ORDERED, this _____ day of _____, 20____.

DISTRICT COURT JUDGE

APPROVED:

Plan Participant

Alternate Payee

Attorney for Plan Participant

Attorney for Alternate Payee

Address

Address

Telephone Number

Telephone Number