

**PLAN PROCEDURES**  
**FOR**  
**QUALIFIED DOMESTIC RELATIONS ORDER DETERMINATION**  
**THE EPISCOPAL CHURCH LAY EMPLOYEES' RETIREMENT PLAN**

Section 414(p) of the Internal Revenue Code provides that a Qualified Domestic Relations Order (“QDRO”) may create or recognize an Alternate Payee’s right to all or a portion of the benefits payable with respect to a Participant under a plan.

The determination of the qualified status of a Domestic Relations Order (“DRO”) is made by the Plan Administrator in accordance with the Plan Procedures for QDRO Determination and such other administrative procedures as the Plan Administrator shall establish.

DROs and correspondence should be directed to Meleka Demirova at the following address:

The Church Pension Fund  
445 Fifth Avenue  
New York, NY 10016

Phone inquiries of a general nature may be made to Meleka Demirova, at 212-592-9423.

**PLAN PROCEDURES**

**Step I - Respond to Requests for Participant Benefit Data**

1. **Release of Benefit Data** - No information will be released to anyone other than the Plan Participant unless (a) the Participant or the Participant’s attorney has authorized the Plan Administrator in writing to release benefit data, or (b) the Plan Administrator has received a court order or subpoena directing the release of information and the release of information is approved by the attorney for The Church Pension Fund (“CPF Counsel”).
  - **Request for Release of Information from Alternate Payee or the Alternate Payee’s Attorney** - The Alternate Payee or the Alternate Payee’s attorney will be advised that the Plan Administrator will not release a Participant’s benefits data without the Participant’s written consent, unless the Plan Administrator is ordered to do so by a court. The Alternate Payee will be advised to obtain the Participant’s consent. The Participant will be advised that a court would probably find that the Alternate Payee is entitled to the information, and that legal costs are likely to be minimized if the Participant gives written consent.
  - **Receipt of a Court Order/Subpoena for Benefits Data** - Any court order or subpoena requesting release of benefit information should be directed to CPF Counsel for review. If the court order or subpoena is determined to be defective, the Alternate Payee or the Alternate Payee’s attorney will be advised in writing by CPF Counsel of why the Plan Administrator is not following the order, and the Participant should receive a copy of the correspondence. If the court order is

determined to be valid and binding on the Plan Administrator, the Participant will be notified in writing by CPF Counsel and provided with a copy of the order. In addition, the Participant will be advised by CPF Counsel that the benefits data will be released in ten business days from the date of notice to the Participant unless the Participant or Participant's attorney takes appropriate legal action

## **Step II - Receipt of Domestic Relations Order (DRO)**

1. **Request for Procedures** - Upon request, copies of the Model QDRO and Plan Procedures for QDRO Determination (QDRO Procedures) will be forwarded to the Participant, the Alternate Payee or their respective counsel.
2. **Receipt of Notification of Adverse Interest** - Upon receipt of a verbal or written notification of adverse interest (e.g., letter from an attorney or request for QDRO information due to a pending DRO), a copy of the Model QDRO and QDRO Procedures will be forwarded to the Participant, the Alternate Payee, and their respective counsel, if appropriate. A hold will not be placed on the Participant's benefit based solely on the receipt of notification of an adverse interest or receipt of a proposed QDRO. A hold will be placed on a Participant's benefit due to receipt of an executed or certified DRO, a Restraining Order, or instructions from the legal department of The Church Pension Fund ("CPF").

**Note:** While the hold is in place, the Participant will be prevented from taking a distribution of his benefits. In addition, all benefit payments currently being paid to the Participant will be suspended.

## **Step III - DRO Qualification Process**

1. **Receipt of DRO** - Upon receipt of a DRO, the Plan Administrator will begin the QDRO determination process. The Plan Administrator may, at its discretion, forward a copy of the DRO to legal counsel for review.
2. **Placement of Hold** - The Plan Administrator will take appropriate steps to place a hold on the Participant's benefit upon receipt by the Plan Administrator of an executed or certified DRO, a Restraining Order or instructions from the legal department of CPF. The Participant will be prevented from receiving payments from the Plan while the hold is in place, thereby maintaining the value of the benefit in the event the DRO is deemed qualified. The hold will be lifted upon the first of the following to occur:
  - The DRO is deemed qualified.
  - The DRO is not yet deemed to be qualified and 18 months has elapsed from the date the first payment would be due under the DRO. In this case, the Plan Administrator will notify the Interested Parties regarding the release of the hold on the Participant's benefit approximately one month prior to release.

- The parties fail to correct deficiencies in the order within 90 days of receiving the notice described in Step III (6) below. The Plan Administrator may, in its discretion, extend the 90-day period.

When the hold is lifted, suspended amounts, plus interest at the then prevailing New York Bank prime interest rate, shall be paid to the party(ies) entitled to such amounts.

3. **Notification** - The Plan Administrator will notify the interested parties within sixty business days of receipt of the Order and forward the QDRO Procedures. Notifications will be sent to the addresses included in the DRO.
4. **Determination of DRO as QDRO** - The Plan Administrator will review the DRO for qualification during a reasonable period of time (usually within a 120 day period).

The DRO shall be determined to be a QDRO only if:

- It is a court judgment, decree or order (including a court-approved property settlement agreement) that relates to the provision of child support, alimony payments or property rights to a spouse, former spouse, child or other dependent of a Participant made pursuant to a state domestic relations law (including a community property law).
  - It clearly specifies 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 of percentage is to be determined.
  - It does not require the Plan to provide any form of benefit or any option not otherwise provided under the Plan.
  - It does not require the Plan to provide increased benefits (determined on the basis of actuarial value).
  - It 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.
  - It meets any other applicable requirements imposed by the Plan.
5. **DRO Not Qualified** - If the DRO is determined not to be qualified, appropriate notification will be sent to the interested parties commenting on the deficiencies of the DRO. Subject to the 18-month maximum suspension period imposed under Step III(3) above, the Parties will be given 90 days in which to correct the DRO's deficiencies and submit a revised DRO to the Plan.
  6. **DRO Qualified** - If the DRO is determined to be qualified and it is signed by each party or their representative and approval of the QDRO by the parties of the order is not limited to the form of the order, notification in writing will be sent to the interested parties. The notification will contain information concerning the manner in which the QDRO will be

implemented and the contacts available for questions during the actual QDRO processing.

If the QDRO is not signed by each party or their representatives or if the parties' execution of the order indicates approval of the form of the order only, each party will be notified, by the Plan Administrator in writing, that a tentative determination has been made with respect to the qualified status of the order.

If no interested party disputes this tentative determination within sixty days of receipt of the notice, the Plan Administrator may proceed as though a final determination has been made that the order is a QDRO<sup>1/</sup>. If an interested party disputes this determination within sixty days of receipt of the notice, the dispute should be referred to the Plan Administrator, who will take appropriate steps to resolve the dispute.

7. **Death of Participant During QDRO Determination Process** - If the death of a Participant occurs during the QDRO Determination process, the QDRO Determination will not continue.
8. **Modification and Resubmissions of Orders** - A modification of a DRO that is determined not to be qualified pursuant to Step III(5) that is resubmitted should be treated as a new order except for the notification purposes described in Step III (4) above and the 18-month maximum suspension period described in Step III (3) above. A modification or request for redetermination of a QDRO should be treated as a new order.

#### **Step IV - QDRO Processing**

1. **Ad hoc Benefit Increases** - Unless otherwise provided in this Order, both the retired Participant's and the Alternate Payee's benefit shall be proportionately adjusted to reflect post-retirement ad hoc increases, if any.
2. **Appeals From Determinations and Interpretations** - Formal claims should be sent to:  
  
Plan Administrator – The Episcopal Church Lay Employees' Retirement Plan  
The Church Pension Fund  
445 Fifth Avenue  
New York, NY 10016
3. **Applicable Plan** - Any order shall be deemed to apply to the Plan designated in the order and to any successor plan(s) or any other plan(s) to which liability for payment of the benefit may be transferred.

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<sup>1/</sup> The sixty-day review procedure is intended to correspond to the sixty-day appeal period imposed under the Plan in connection with a notice of claim denial. All appeals by an interested party should be treated in accordance with the applicable plan's procedure for reviewing an appeal of a denied benefit claim.

4. **Changes in Names** - Changes in the Plan sponsor, Plan Administrator, or Plan name will be deemed to have no effect on a QDRO.

5. **Death of Alternate Payee/Participant** -

If the Alternate Payee dies before the Participant, the portion of the benefit assigned to the Alternate Payee by the QDRO will revert to the Participant.

If the Participant dies prior to the commencement of benefits, the Alternate Payee will not be entitled to any benefit from the Plan unless the QDRO provides that the Alternate Payee is to be treated as the Participant's spouse for all or a portion of any pre-retirement death benefit paid on the Participant's behalf by the Plan. The Alternate Payee may only be designed as the Participant's spouse if the Alternate Payee was married to the Participant for at least 12 months. Furthermore, the Participant must have otherwise been eligible for retirement under the Plan upon his or her death in order for the Alternate Payee to be eligible to receive a pre-retirement death benefit.

If the Participant dies after the commencement of benefits, the Alternate Payee will not be entitled to any further payments from the Plan, unless otherwise provided by the form of distribution at the time of his death.

6. **Division of Benefits** - A QDRO may not assign the Alternate Payee a portion of the Participant's accrued benefit under the Plan. The QDRO must assign the Alternate Payee a portion of the Participant's benefit payments.

7. **Notice of Prior Order** - By the submission of any domestic relations order, the interested parties to that order certify that they are not aware of any prior orders that purport to dispose of the benefits described therein (except other proceedings in the same matter with respect to the same parties of which the Plan Administrator is already aware). Should a prior QDRO exist, it is the responsibility of the interested parties to advise the Plan Administrator or Meleka Demirova, prior to the determination of the qualified status of the order.

8. **Remarriage** - If a QDRO is silent, the subsequent remarriage of either party will not affect the division of retirement benefits.

9. **Tax Basis** - The tax basis of the distribution to the alternate payee shall be on a pro-rata basis pursuant to section 72(m)(10) of the Internal Revenue Code.

10. **Terms** - The terms used in any order shall have the same meaning as those terms have in the Plan, unless the order specifically provides otherwise.

11. **Vested Status** - The vested status of the Participant will be determined as of the date of division under the QDRO, not the date the QDRO is approved or implemented.

12. **Distribution to the Alternate Payee** - Distribution to the Alternate Payee will commence on the later of (a) the date payments to the Participant commence or (b) as soon as administratively practicable after the QDRO is approved.

13. **Alternate Payee Distribution Options** - The Alternate Payee will not be permitted to elect a form of distribution.