



*Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago*

Qualified Illinois Domestic Relations Orders

Information and Forms for

Members in Divorce Proceedings

Effective July 1, 2006

*Suite 1300 • 321 North Clark Street • Chicago, Illinois 60654-4739
(312) 236-2065 • Fax (312) 236-0574*

TABLE OF CONTENTS

Foreword.....	3
Time Line.....	4
LABF Retirement Benefits and Divorce.....	5
• What is a Qualified Illinois Domestic Relations Order (QILDRO)?.....	5
• What is QILDRO Calculation Court Order?	5
• What is the Consent to Issuance of QILDRO?	6
• How have QILDRO’s changed?	6
• What about past or out-of-state divorces?	7
Division of Benefits	7
• What is a monthly retirement benefit?.....	7
• What is a termination refund?.....	7
• What is a partial refund?.....	8
• What is a refund in the event of a member’s death?.....	8
• What benefits are not payable through a QILDRO?.....	8
Benefit Information Provided by LABF.....	8
• In response to subpoena or member’s request	9
• In response to a QILDRO	9
• In response to a percentage QILDRO	9
• In response to a Calculation Order.....	10
• At notice of member’s death.....	10
Completing the QILDRO.....	10
Completing the Calculation Order	10
QILDRO and Calculation Order Comparison Chart	11
Requirements for a Valid QILDRO and Calculation Order	12
Filing Procedure.....	13
• Where to send	13
• Processing fees.....	13
• Certified copy required	13
• Notification from LABF	13
Implementing the QILDRO.....	14
• What if LABF has not received a Calculation Order?	14
• What if the alternate payee is missing?.....	14
Effective Date of the QILDRO	15
Expiration of the QILDRO	15
Required Forms.....	15
Income Tax Reporting	15
Information about LABF	16
GLOSSARY	17

THIS PUBLICATION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED TO CONSTITUTE AN OPINION OR PROFESSIONAL ADVICE.

This subject matter may be of considerable financial significance. It is strongly recommended that the member obtain competent legal and/or other expert assistance. This information is provided with the understanding that the Laborers' Annuity & Benefit Fund (LABF or the "Fund") is not rendering legal, financial, or other professional advice. The Fund does not assume responsibility for the specific consequences resulting from application of the information in this publication to a particular member or alternate payee.

Foreword

The following publication provides information about Qualified Illinois Domestic Relations Orders (QILDROs). Both this publication and the required forms are available from the Laborers' Annuity & Benefit Fund of Chicago at 321 N Clark St Ste 1300, Chicago IL 60654----4739, (312) 236-2065.

In 2005, legislation was enacted that amended the law governing QILDROs, (40 ILCS 5/1-119). The amended law is effective July 1, 2006 and dramatically changes QILDROs. If you were familiar with QILDROs before July 1, 2006, it is important that you learn about the changes. For detailed information not covered in this text, please consult the Illinois Pension Code. If there is any conflict between this information and applicable law, the law will prevail.

Disclaimer

LABF has provided the enclosed materials based on the best information available at the time of publication. Similarly, our office will provide benefit information which is accurate at the time of the request.

The Fund has no responsibility to recalculate information previously provided, nor to inform an alternate payee regarding any statutory changes that may affect the calculation of a member's benefit, unless the Fund is subsequently served with a subpoena for new QILDRO benefit information. Receipt of a modified QILDRO or QILDRO Calculation Court Order ("Calculation Order") could adversely affect an alternate payee's payment priority.

The law provides that the Fund, as a result of the existence of a QILDRO, will never be required to disburse to the member and his/her alternate payee(s) accumulated amounts greater than the amount that would have been otherwise disbursed to the member. It is the responsibility of the alternate payee and their counsel to be aware of, and in compliance with, the Illinois statutes governing QILDRO as they may be amended or reinterpreted over the life of the QILDRO.

TIME LINE

Observe the following time line when considering LABF benefits in divorce proceedings:

As you are considering divorce	Obtain a QILDRO publication from the Fund office: LABF 321 N Clark St Ste 1300 Chicago IL 60654-4739 You may also call (312) 236-2065 to request a copy.
At least 45 days before needed	Request a benefit estimate for divorce purposes. This is sent to LABF members upon request. Current and former spouses and legal representatives must provide member's written authorization or subpoena.
Court date	Illinois court may, in its discretion, enter a QILDRO. Obtain a certified ¹ copy of QILDRO from clerk of court.
After court issues QILDRO	Send to LABF: <ol style="list-style-type: none">1. certified¹ copy of QILDRO2. \$50 processing fee3. original Consent to Issuance of QILDRO form² signed by member
Within 45 days after LABF receives QILDRO	LABF sends notification ³ regarding validity of QILDRO. If QILDRO uses percentages, we will provide customized benefit information. See <i>Benefit Information Provided by LABF</i> .
When member retires	If QILDRO uses percentages, send to LABF: <ol style="list-style-type: none">1. certified¹ copy of Calculation Order2. \$50 processing fee Remember, we cannot pay an alternate payee based on percentage QILDRO until Calculation Order is received.
Within 45 days after LABF receives member's retirement application	We will provide customized benefit information. See <i>Benefit Information Provided by LABF</i> .
Within 45 days after LABF receives Calculation Order	LABF sends notification ³ regarding validity of Calculation Order.
When LABF receives notice of member's death	If QILDRO allocates part of death benefit to alternate payee, we will provide death benefit information. See <i>Benefit Information Provided by LABF</i> .

¹ Clerk of court's seal or stamp certifies true and correct copy of original order. Plain or file-stamped copies are unacceptable.

² Consent form only required for members hired prior to July 1, 1999.

³ Notification will be sent to member, alternate payee, and attorney who sent court order to LABF.

LABF Retirement Benefits and Divorce

What is a Qualified Illinois Domestic Relations Order?

A Qualified Illinois Domestic Relations Order is a court order issued by an Illinois court that directs an Illinois public retirement system to pay an alternate payee, all or a portion of a member's retirement benefit, certain refunds, or lump sum death benefit. An alternate payee is typically a former spouse, but may be a current spouse, child, or other dependent.

The QILDRO law applies to Illinois public retirement systems governed by the Illinois Pension Code, 40 ILCS 5. Illinois public funds may only pay benefits to a former spouse according to a QILDRO. They cannot pay a former spouse based on a member's judgment for dissolution of marriage or marital settlement agreement. QILDROs are different from, and should not be confused with Qualified Domestic Relations Orders (QDROs). State law does not allow public retirement systems to honor QDROs.

The QILDRO form should be obtained from our office as explained in the *Required Forms* section of this publication. If you omit sections of the form, we will reject your QILDRO, because there is no way to tell whether you intended to leave those sections out, or you inadvertently omitted them. **Remember, no text changes or alterations to the form are permitted.**

What is a QILDRO Calculation Court Order?

The QILDRO Calculation Court Order is a separate court order issued by an Illinois court. This order provides numerical information as determined in the divorce proceedings to instruct LABF how much to pay the alternate payee. It is a feature of the new QILDRO law and will only be accepted for a QILDRO submitted on or after July 1, 2006.

A Calculation Order is **only** necessary if the QILDRO indicates that the alternate payee is to receive a percentage of the benefit. If you want to avoid the Calculation Order, you can express the amounts payable to the alternate payee as specific dollar amounts in the QILDRO.

You must send a Calculation Order to LABF before payment can be made to the alternate payee. Generally, the QILDRO would be issued at the time of divorce, and the parties would return to court to obtain the Calculation Order at the time of the member's retirement, when the amount of the retirement benefit becomes known.

The Calculation Order form should be obtained from our office as explained in the *Required Forms* section of this publication. If you omit sections of the form, we will reject your Calculation Order, because there is no way to tell whether you intended to leave those sections out, or you inadvertently omitted them. **Remember, no text changes or alterations to the form are permitted.**

We will implement valid court orders that are sent to LABF, but we cannot tell you whether the court orders are consistent with the terms of your divorce. Our office will provide benefit information, but shall have no obligation to review, verify equations or to assist in the

calculations used to determine such amounts. We cannot determine whether the numbers in the Calculation Order are accurate or whether the calculations are in accordance with the marital settlement agreement, or judgment for dissolution of marriage. The Fund cannot reject a Calculation Order because the calculations are not accurate or do not correspond to what was decided in your divorce. Our sole obligation with respect to the equations in the Calculation Order is to pay the amounts indicated as a result of the equations.

What is the Consent to Issuance of QILDRO?

If LABF membership started before July 1, 1999, the effective date of the original law, a QILDRO will only be valid if the member signs a Consent to Issuance of QILDRO (“Consent”) in writing. You must use the specific Consent form obtained from our office as explained in the *Required Forms* section of this publication and it must accompany the QILDRO. **No alterations to the form are permitted.**

The Consent form must be signed by the member and only the member. The law does not provide for the court or anyone else to sign the Consent form if the member is absent or refuses to sign.

Any member who begins employment with any Illinois public retirement system after July 1, 1999 accepts the principles of the QILDRO law as a condition of employment.

How have QILDROs changed?

The 2005 legislation is a significant revision of the QILDRO law, and enacted the following major changes:

- The amount payable to the alternate payee may be expressed as a percentage or a specific dollar amount. Under the old law, the only way to express the alternate payee’s share was a specific dollar amount.
- The new law introduces the Calculation Order. It provides the numerical information that the retirement system must have to implement a QILDRO that uses percentages to allocate the alternate payee’s share. The Calculation Order is not required if dollar amounts are used in the QILDRO rather than percentages.
- The alternate payee may receive a share of any lump sum payment of contributions that would be payable upon the member’s death. The new QILDRO still does not apply to monthly survivor benefits.
- The new QILDRO law specifies what benefit information must be provided by LABF and what events will trigger our office to provide benefit information for divorce purposes.
- In addition, the new QILDRO allows for a specified number of payments to the alternate payee.

The new QILDRO does not change the law which determines appropriate division of marital assets. The member should consult a personal attorney about what assets are included in the couple’s marital property and about the proper division of those assets.

What about past or out-of-state divorces?

If your divorce occurred in another state, it may be possible to request an Illinois court to enter a QILDRO. Courts in other states do not have statutory authority or jurisdiction to issue QILDROs. Please seek advice from your personal attorney if you were divorced in a state other than Illinois and you wish to obtain a QILDRO.

Division of Benefits

LABF benefits may be a marital asset. Your personal attorney should advise you whether a former spouse is entitled to any of your benefits. We cannot provide legal advice.

We may only pay benefits to a former spouse according to a QILDRO. LABF cannot pay a former spouse based on a QDRO, judgment for dissolution of marriage, or marital settlement agreement. Even if our office has a valid QILDRO on file, payment cannot be accelerated to pay a former spouse before the member is paid. An alternate payee will only receive payment if and when the member receives payment, and will never receive more or different benefits than the member is eligible to receive.

An alternate payee may only receive certain benefits that the LABF member is entitled to receive. The QILDRO may allocate portions of only one, several, or all of the following benefits:

- Monthly retirement benefit
- Termination refund the member may be eligible to receive
- Partial refunds that the member may be eligible to receive
- Refund in the event of a member's death

You and your attorney should carefully review the QILDRO law and the required forms. Our office will provide benefit information to help you determine the alternate payee's share. We will also provide general information about benefits, procedures, and form requirements as explained in this publication. However, it is up to the divorcing couple and their attorneys to decide how to complete the QILDRO and if applicable the Calculation Order. Every situation is unique. The Fund cannot help you make these decisions, or perform any calculations for you.

What is a monthly retirement benefit?

The QILDRO allows an alternate payee to receive all or a portion of a member's periodic retirement benefit.

What is a termination refund?

The QILDRO allows the alternate payee to receive all or a portion of a refund of retirement contributions that the member may receive after the last day of LABF-covered employment. Upon accepting a termination refund, the member forfeits all rights to benefits, unless benefits are reinstated through repayment of the refund after returning to LABF-covered service for at least 90 days. Repayment of the refund will not reinstate the QILDRO.

What is a partial refund?

The QILDRO allows the alternate payee to receive all or a portion of a partial refund that the member may receive. This includes a refund of surviving spouse benefit contributions payable to a member at retirement, if the member does not have an eligible spouse at the time of retirement.

What is a refund in the event of a member's death?

We do not provide a specific lump sum death benefit. The QILDRO allows an alternate payee to receive all or a portion of a lump sum payment of a member's contributions not already received as annuity payments. Pursuant to 40 ILCS 5/11-166, these benefits are paid according to the most recent beneficiary designation on file with our office at the time of death. When you divorce, you should review your designation on file, making sure that death benefits will be paid to your intended beneficiary(ies). To make changes, you must complete and file a new Beneficiary Designation form. This form must be notarized to be valid and can be obtained by calling our office at (312) 236-2065.

What benefits are not payable through a QILDRO?

Monthly survivor benefits, disability benefits, and health insurance cannot be obtained through a QILDRO. A QILDRO does not provide any insurance coverage or make a former spouse eligible to participate in a member's health care program.

Benefit Information Provided by LABF

We will provide customized benefit information within 45 days of the request. In preparing benefit information for divorce, we do not speculate as to potential future events such as early retirement, reciprocal retirement, additional service credit, future salary increases, purchase of optional or refunded service, or statutory changes. We do not provide hypothetical estimates for retired members assuming facts that are different from the member's actual retirement record. Also LABF does not provide actuarial opinions as to the present market value of a member's benefits or other interests.

Due to our policy on confidentiality, information may only be provided by a subpoena to spouses (current and former) and legal representatives. Please plan ahead and request the information at least four to six weeks before it is needed. **We are unable to accommodate "rush" requests for imminent court dates.**

If requested, we will also provide the latest Summary Plan Description booklet, which contains general information about LABF benefits.

In response to subpoena or member's request

To help the parties value the benefit for divorce purposes, we will provide the following customized information:

- Date of initial LABF membership
- Amount of regular and purchased service credit
- Non-reduced monthly retirement benefit estimate
- Earliest date when non-reduced monthly retirement benefit will become payable
- Refund amount upon termination of employment

In response to a QILDRO

If a QILDRO is received prior to retirement

- Refer to Notification from LABF.

If a QILDRO is received on or after the effective date of retirement

- Refer to Implementing the QILDRO.

In response to a percentage QILDRO

When our office receives a percentage QILDRO we will provide the following customized information:

If a QILDRO is received prior to retirement

- Date of initial LABF membership
- Amount of regular and purchased service credit
- Non-reduced monthly retirement benefit estimate
- Earliest date when non-reduced monthly retirement benefit will become payable
- Refund amount upon termination of employment
- Spouse contribution refund amount (if applicable)
- Whether or not member has filed a retirement application
- Intended retirement date, if member has filed retirement application

If a QILDRO is received on or after the effective date of retirement

- Effective date of retirement
- Date retirement benefits commenced (or will commence)
- Amount of service credit
- Actual monthly retirement benefit
- Spouse contribution refund amount (if applicable)
- If a percentage QILDRO is on file with LABF but a Calculation Order has not been received, notification that a Calculation Order is needed to implement the QILDRO

In response to a Calculation Order

When our office receives a Calculation Order we will provide the following notifications:

- Notification of receipt
- Notification if no underlying QILDRO is on file with our office
- Notification if Calculation Order does not clearly indicate amount payable

At notice of member's death

When our office receives a death notification we will provide the following information:

- Notification of the termination of the QILDRO
- Lump sum death benefit amount (only provided if QILDRO allocates share of lump sum death benefit to the alternate payee)

Completing the QILDRO

In order to assure you are using the correct QILDRO form, you must determine the date that LABF will receive a certified copy of the QILDRO, allowing time for the order to be issued by the court.

- If our office will receive the order before July 1, 2006, you must use the old QILDRO form.
- If our office will receive the order on or after July 1, 2006, you must use the new QILDRO form.

The new QILDRO form is detailed and longer than the old form, therefore, it is critical that you and your attorney carefully review and complete the new QILDRO form. Certain sections contain multiple options from which you must select only one. If you fill in more than one where the form indicates that you are to select only one option, we will reject the QILDRO.

Be sure to keep a copy of your QILDRO if you intend to submit a Calculation Order at a later date. You will need the underlying QILDRO to prepare the Calculation Order.

Completing the Calculation Order

The Calculation Order provides the amounts that our office needs to implement the QILDRO and must be based on an underlying QILDRO between the same LABF member and alternate payee. If we receive a Calculation Order without an underlying QILDRO, the order will be meaningless and our office will send notification to the parties. If the Calculation Order does not clearly indicate the amounts payable to the alternate payee, we will also send notification to the parties. The Calculation Order is **only** required if the underlying QILDRO uses a percentage method of allocating benefits to the alternate payee.

Certain sections in the order contain multiple options from which you must select only one. If you fill in more than one where the form indicates that you are to select only one option, we will reject the Calculation Order.

This chart will assist you in determining which sections of the Calculation Order you need to complete so that it will correspond with the QILDRO.

QILDRO and Calculation Order Comparison Chart

If you completed QILDRO Section	Must complete marital portion benefit calculation formula QILDRO Section IX	Must complete corresponding Section in Calculation Order
III.A.1	No	No
III.A.2	Yes	3(a)
III.A.3	No	4(A)
V.A.1	No	No
V.A.2	Yes	3(b)
V.A.3	No	4(B)
VI.A.1	No	No
VI.A.2	Yes	3(c)
VI.A.3	No	4(C)
VII.A.1	No	No
VII.A.2	Yes	3(d)
VII.A.3	No	4(D)

The following summarizes the QILDRO sections and methods for allocating payment to the alternate payee.

QILDRO Section III: monthly retirement benefit

A.1: dollar amount

A.2: percentage of marital portion

A.3: percentage as of retirement date or when alternate payee benefit commences

QILDRO Section V: termination refund or lump-sum retirement benefit

A1: dollar amount

A2: percentage of marital portion

A3: percentage as of retirement date

QILDRO Section VI: partial refund

A1: dollar amount

A2: percentage of marital portion

A3: percentage as of retirement date

QILDRO Section VII: lump sum death benefit

A1: dollar amount

A2: percentage of marital portion

A3: percentage as of the date benefit becomes payable

Requirements for a Valid QILDRO and Calculation Order

For a QILDRO or Calculation Order to be valid all of the following criteria must be satisfied:

- (1) If the order applies to a person who became an LABF member before July 1, 1999, it must be accompanied by the original Consent form signed by the member. This form is irrevocable and will be valid for all subsequent orders relating to the member and alternate payee.
- (2) Each order must:
 - Be accompanied by a \$50 processing fee, payable to LABF.
 - Be a certified¹ copy of the original entered in court.
 - Have been issued by an Illinois court of competent jurisdiction in a proceeding for declaration of invalidity of marriage, legal separation, or dissolution of marriage that provides for the distribution of property, or any proceeding to amend or enforce such a property distribution.
 - Contain the name, mailing address, and social security number of the member.
 - Contain the name, mailing address, and social security number of the alternate payee.
 - Identify the Laborers' Annuity & Benefit Fund of Chicago as the retirement system to which it is directed.
 - Identify the court that issued it.
 - Specify the dollar amount of the benefit and/or refund payable to the alternate payee, or percentages or formulas as stipulated on the QILDRO form.
 - Specify whether the alternate payee will or will not receive a proportional share of any applicable cost of living adjustments received by the member.
 - Be in the form adopted by LABF. Any alterations to the form will invalidate the order.
- (3) The order must apply only to benefits that are statutorily subject to QILDROs. (See *Division of Benefits*)
- (4) The date of receipt of the order must be on or after July 1, 2006.
- (5) The Calculation Order must not be completed in a manner that changes the intent of the QILDRO to which it relates.

If a percentage formula was elected on the QILDRO document, a Calculation Order must be provided prior to any benefits being paid.

¹ Clerk of court's seal or stamp certifies true and correct copy of original order. Plain or file-stamped copies are unacceptable.

Filing Procedure

Where to send

QILDROs and Calculation Orders should be sent to:

Laborers' Annuity and Benefit Fund of Chicago
321 N Clark St Ste 1300
Chicago IL 60654-4739

Processing fees

For **each** order that is submitted, a \$50 non-refundable processing fee, by check or money order payable to **LABF**, is required.

The processing fee is a requirement of state statutes and is intended to help defray administrative costs associated with QILDRO and Calculation Order processing.

Certified copy required

Remember to send us a court **certified** copy of the court order. A certified copy bears the Clerk of Court's seal or stamp certifying the document as a true and correct copy of the original document. A plain or file-stamped copy will be rejected.

Notification from LABF

The member, the alternate payee, and the attorney that sent the court order will receive notification within 45 days after our office has received the order. The order will be date-stamped upon receipt and deemed received on that date. The notification will also indicate whether the order is valid and other pertinent information regarding the order. If not valid, the notification will specify the deficiencies.

All deficiencies must be corrected before we may honor the QILDRO or Calculation Order. In most cases, deficiencies are easily corrected, for instance, by sending the \$50 fee or a certified copy of the order. If the order is defective, it will be necessary to obtain a new or amended order from the court. We will send a new notification in response to each corrected or amended court order.

An invalid QILDRO has no effect on the member's benefits. **No QILDRO is valid until all deficiencies have been corrected.**

Implementing the QILDRO

The QILDRO will be placed in the member's record and will remain dormant until the member begins receiving retirement benefits, a refund or lump sum death benefit subject to when the QILDRO becomes payable. When one of these events occurs, we will send notification to the alternate payee at the last address reported to us. The alternate payee must return a completed Information Sheet before payment can be made.

What if LABF has not received a Calculation Order?

If the QILDRO uses percentages, we must receive a Calculation Order in order to pay the alternate payee. Generally, the Calculation Order would be submitted to our office upon the member's retirement, at which time the amount of the retirement benefit becomes known.

Monthly retirement benefit

If a percentage QILDRO on file with LABF becomes payable, and a Calculation Order has not been received, if possible we will determine an anticipated payment to the alternate payee based on information in the QILDRO. The Fund will hold the alternate payee's anticipated payment and begin paying the member's monthly retirement benefit, less the amount held for the alternate payee, pending receipt of the order. Once the order is received, the amounts payable to the member and alternate payee may require adjustments. However, if it is not possible to determine an anticipated payment based only on the QILDRO, then neither the member nor the alternate payee will be paid until the order is received.

Refund or lump sum death benefit

If a refund or lump sum death benefit subject to a percentage QILDRO on file with LABF becomes payable and a Calculation Order has not been received, we will hold the refund or death benefit until the order is received.

What if the alternate payee is missing?

An alternate payee must keep us informed of any name or address changes to receive payment. The law does not require us to search for a missing alternate payee, other than sending notification to the last address reported to our office.

If the notification to the alternate payee is undeliverable, LABF will hold the payment for 180 days from the date we sent the notification or the date the benefit becomes payable, whichever is later. This amount will not accumulate interest. If our office is notified of the alternate payee's current address within 180 days, the amount held will be paid to the alternate payee upon proper documentation.

If our office does not learn of the alternate payee's current address within 180 days, payment will be made as though there was no QILDRO. If our office later becomes aware of the alternate payee's current address, the QILDRO will be implemented with the next available payment. The alternate payee will have no rights to any amounts previously paid.

Effective Date of QILDRO

The QILDRO takes effect with the first available payment that occurs at least 30 days after we have received a valid QILDRO.

LABF annuity payments are disbursed on the first of each month for the current month. Generally, you should expect about a three-month processing period from the date that our office has received a valid QILDRO, and Calculation Order if applicable, until the alternate payee begins receiving monthly payments from the Fund. If payment is required during the processing period, the affected parties will need to make arrangements between themselves.

Expiration of QILDRO

For monthly retirement benefits, the QILDRO must specify when payments to the alternate payee will terminate. This will be one of the following:

- Upon the death of the member or alternate payee, whichever occurs first
- After a specified number of payments are made to the alternate payee

A QILDRO also ends when the member receives a refund that terminates participation in the Fund or may be terminated by a valid court order expressly vacating the order.

Required Forms

The QILDRO, Calculation Order, and Consent forms are detailed and do not lend themselves to re-typing. Copies of the forms are included with this publication. The easiest way to ensure that you are using the correct forms and have not inadvertently added, modified, or omitted language is to use the hard copy or PDF forms available from LABF. Additional hard copy or PDF forms are available upon request. **Remember no text changes or alterations to the form are permitted.**

Income Tax Reporting

Both the member and alternate payee will be mailed income tax form 1099-R by February 1st of each year for the previous calendar year. This form will provide the taxable and nontaxable portions of the benefit payments.

Information about LABF

The benefit program administered by the Fund is a governmental plan as defined in section 414(d) of the Internal Revenue Code of 1986, as amended, and section 3(32) of the Employee Retirement Income Security Act of 1974, as amended. The retirement program is administered as a qualified plan pursuant to section 401(a) of the Internal Revenue Code of 1986, as amended. LABF benefit programs are subject to Articles 1, 11, and 20 of the Illinois Pension Code [40 ILCS 5]. In addition, as a board created by the Illinois General Assembly, LABF is subject to numerous other laws of the State. Article 11 of the Illinois Pension Code [40 ILCS 5/11-101 et seq.] explains our benefits and the methods for calculating those benefits.

GLOSSARY

Alternate payee	The spouse, former spouse, child, or other dependent of a member, as designated in a QILDRO/Calculation Order. [40 ILCS 5/1-119(a)(1)]
Death Benefit	Any nonperiodic benefit payable upon the death of a member to a survivor of the member, to the member's estate or designated beneficiary, including any refund of contributions following the member's death, whether or not the benefit is so called under the applicable Article of the Illinois Pension Code. [40 ILCS 5/1-119(a)(2)]
Disability Benefit	Any periodic or nonperiodic benefit payable to a disabled member based on occupational or nonoccupational disability or disease, including any periodic or nonperiodic increases in the benefit, whether or not the benefit is so called under the applicable Article of the Illinois Pension Code. [40 ILCS 5/1-119(a)(3)]
Member	Any person who participates in or has service credit in LABF, including a person who is receiving or is eligible to receive a retirement or disability benefit, without regard to whether the person has withdrawn from service. [40 ILCS 5/1-119(a)(4)]
Member's Refund	A return of all or a portion of a member's contributions that is elected by the member (or provided by operation of law) and is payable before the member's death. [40 ILCS 5/1-119(a)(5)]
Permissive Service	Service credit purchased by the member that the Fund includes by statute in member's benefit calculation. [40 ILCS 5/1-119(a)(5.5)]
Qualified Illinois Domestic Relations Order or "QILDRO"	An Illinois court order that creates or recognizes the existence of an alternate payee's right to receive all or a portion of the member's accrued LABF benefits, is issued pursuant to Section 1-119 of the Illinois Pension Code and Section 503(b)(2) of the Illinois Marriage and Dissolution of Marriage Act, and meets the requirements of Section 1-119 of the Illinois Pension Code. A QILDRO is not the same as a QDRO issued pursuant to Section 414(p) of the Internal Revenue Code of 1986. [40 ILCS 5/1-119(a)(6)]
QILDRO Calculation Court Order	An Illinois court order that provides the amount of the retirement benefit, refund, partial refund and death benefit that is subject to a QILDRO allocation of benefits on a percentage basis. [40 ILCS 5/1-119(c)(5)]
Regular Payee	The person to whom a benefit would be payable in the absence of an effective QILDRO. [40 ILCS 5/1-119(a)(7)]
Regular Service	Service credit earned by the member, including a repayment of refund for regular service that the Fund includes by statute in a member's benefit calculation. [40 ILCS 5/1-119(a)(7.5)]
Retirement Benefit	Any periodic or nonperiodic benefit payable to a retired member based on age, service or on the amounts accumulated to the credit of the member for retirement purposes, including any periodic or nonperiodic increases in the benefit, whether or not the benefit is so called under Article 11 of the Illinois Pension Code. [40 ILCS 5/1-119(a)(8)]
Surviving Spouse	The legal spouse of a member at the time of the member's death. [40 ILCS 5/1-119(a)(10)]
Survivor's Benefit	Any periodic or nonperiodic benefit payable to a surviving spouse, child, parent, or other survivor of a deceased member, including any periodic or nonperiodic increases in the benefit, whether or not the benefit is so called under Article 11 of the Illinois Pension Code. [40 ILCS 5/1-119(a)(11)]