

PLAN PROCEDURES

QUALIFIED DOMESTIC RELATIONS ORDER DETERMINATION

THE LENDLEASE 401(K) PLAN

Role of Vanguard – 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 qualified plan. The Administrative Committee for the Lendlease 401(k) Plan has retained Vanguard, Inc. (“Vanguard”) as the third-party administrator for the QDRO determination process regarding the Lendlease 401(k) Plan (the “Plan”). All determinations shall be made in accordance with the Plan Procedures for QDRO Determination (“QDRO Procedures”) and such other administrative procedures, as the Plan Administrator shall establish.

All DROs and correspondence concerning the qualification process should be directed to Vanguard at the following address:

Attn: QDRO Determination Services, H10
The Vanguard Group
PO Box 1101
Valley Forge, PA 19482-1101

Vanguard QDRO Determination Service (“QDS”) related questions should be directed to 888-809-8104. Fax inquiries may be sent directly to QDS at 484-582-3034. Non-QDRO phone inquiries may be made to 800-523-1188.

Definitions:

Alternate Payee – a spouse, former spouse, child, or other dependent of the Participant.

Domestic Relations Order (“DRO”) – A Court Order made pursuant to a domestic relations law which purports to establish an Alternate Payee’s interest in either a defined contribution or defined benefit plan. Such Order can be a divorce decree or order of dissolution of marriage approving a property settlement agreement or specifying a division of property, or a separate order purporting to implement the division of benefits contained in a divorce decree.

Interested Parties – Participant, Alternate Payee, Participant’s Attorney, Alternate Payee’s Attorney.

Participant – Employee of Lendlease or any of its subsidiaries, as defined in the Plan.

Plan Administrator – The Administrative Committee for the Lendlease 401(k) Plan.

QDRO Administrator – Vanguard, retained by the Plan Administrator to perform specific, non-discretionary functions as described herein involving DROs affecting an employee’s benefits under the Plan.

Step I- Receipt of Pending Domestic Relations Order (“DRO”)

1. **Request for Procedures** - The Vanguard QDS will forward, upon request, copies of the Plan Procedures for QDRO Determination (QDRO Procedures) and a Model QDRO for the Plan.
2. **Receipt of DRO or Other Notification of Adverse Interest** - Upon QDS’ receipt of one of the below-noted written forms of notification, a Vanguard QDRO Administrator will place an administrative hold on the Participant’s Account.

No hold will be placed until the Vanguard QDS receives acceptable written notification of adverse interest. Verbal notification of adverse interest cannot be honored with a hold. Acceptable forms of notification include:

- Proposed or certified DRO.
- Restraining order, joinder or other injunction (Note: Holds placed pursuant to receipt of a joinder or restraining order are not to be lifted until the order is rescinded, is modified or has expired).
- Specific instructions from Lendlease's Legal Department.
- Receipt of divorce decree or property settlement agreement (that specifically references a DRO).

While the hold is in place, the Participant will be prevented from making withdrawals and/or taking distributions or loans from the Plan account. Generally, the Participant will be permitted to make fund transfers, contribution changes, investment direction changes and loan repayments while the hold remains in place. QDS will send all Interested Parties notification of receipt of the notice of a pending DRO and of placement of the hold.

The account hold will be lifted upon the first of the following to occur:

- The DRO is deemed qualified and administered according to its terms.
- The DRO is not yet deemed to be qualified and 18 months have elapsed (from the date of initial notification) without submission of a certified Order. In this case, the Vanguard QDRO Administrator will notify the Interested Parties regarding the release of the hold on the Participant's account approximately one month prior to the actual release.
- QDS receives a Court Order nullifying an executed DRO.
- The Alternate Payee and the Participant have provided signed notarized statements withdrawing the pending DRO.

Upon expiration of a hold, the Participant becomes eligible to take a distribution in accordance to the terms of the Plan. As such, if the Vanguard QDRO Administrator determines that the DRO is subsequently qualified (i.e., after the expiration of the administrative hold), then the Plan will pay benefits to the Alternate Payee on a prospective basis only.

3. **Review of Proposed DRO** - The Vanguard QDS will, upon request, review proposed DROs to determine their adherence to IRS and plan qualification requirements. The results of "pre-approval" reviews will be communicated to the Interested Parties.

Step II – DRO Qualification Process

1. **Upon Receipt of Certified DRO** – Upon QDS' receipt of a certified DRO, a Vanguard QDRO Administrator will review it to determine its adherence to IRS and qualification requirements under the Plan. The DRO must be signed by the judge or appropriate court official, certified by the court clerk and/or stamped with a file number before QDS will consider it certified.
2. **Upon Receipt of Proposed DRO** - QDS will, upon receipt, review a proposed DRO to determine its adherence to IRS and qualification requirements under the Plan. QDS will communicate the results of "pre-approval" review to the Interested Parties in writing.
3. **Determination of DRO as QDRO** - The DRO shall be determined to be a QDRO only if it is a certified copy of court judgment, decree or order (including a court-approved property settlement agreement)

which 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). The DRO must be signed and dated by the presiding judge. The DRO must also address any outstanding loans and vesting issues. Additionally the DRO will be determined to be a QDRO only if:

- It clearly specifies 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.
 - 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 or percentage is to be determined.
 - It clearly specifies the number of payments or period to which such Order applies.
 - It clearly specifies the Plan to which such Order applies.
 - 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 benefits above and beyond those to which the Participant is entitled under the terms of the Plan.
 - It does not require the payment of benefits to an Alternate Payee that are required to be paid to another Alternate Payee under another order previously determined to be a QDRO.
 - It does not conflict with other requirements in the law or Plan.
4. **Notification** - The Vanguard QDRO Administrator will notify the Interested Parties within five (5) business days of receipt of the Order and forward the QDRO Procedures and a Model QDRO (if not previously sent). The Vanguard QDRO Administrator will review the DRO for qualification within a reasonable period of time. Vanguard will attempt to make the majority of determinations within 60 days of receipt of the certified DRO. Notifications will be sent to the addresses included in the DRO.

If the DRO is determined to be qualified, the notification will contain information concerning the distribution options available under the Plan and the contacts available for questions during the actual QDRO processing.

5. **Administrative Policies** - The practices listed below are administrative policies of the Plan with which all submitted DROs must comply before being deemed qualified.
- The Plan provides that reasonable expenses incurred in the determination of a DRO shall be paid equally from the accounts (to which the DRO relates) of the Participant and Alternate Payee seeking the determination. The reasonable expenses incurred in the determination of a DRO shall be a one-time fee of \$800.
- Note:** The Participant's account will be billed for any remaining QDRO fee balance if the Alternate Payee is not required to pay their portion of the fee [i.e. - parties decide to rescind the QDRO].
- The use of a retroactive assignment date for any DRO received regarding the Lendlease 401(k) Plan is limited to the date of the plan's inception and subsequent conversion to Vanguard; October 31, 1997, or for mergers and/or acquisitions occurring subsequent to such date, the earliest date upon which Vanguard has all participant account information necessary to make a determination of an Order's qualified status and administer the Order pursuant to its terms. In the event that a submitted DRO contains an assignment date that is prior to October 31, 1997, the DRO will be rejected.

- **Vesting** - The maximum amount that can be assigned to an Alternate Payee under the Plan is limited to the vested portion of the Participant's account at the time that the Alternate Payee's account is established (the "transfer date"). If a Participant's account balance is not fully vested as of the assignment date specified in the Order (i.e., the effective date of the Alternate Payee's interest), then the Order must specify whether the Alternate Payee's interest shall be calculated based on the vested portion on the assignment date or the vested portion as of the transfer date. If however, an Order purports to assign the Alternate Payee a value that is greater than the Participant's vested account balance as of the transfer date, then the Order will be returned to the interested parties as one that is not able to be administered.
- **Outstanding Loans** - The maximum amount that may be assigned to an Alternate Payee under the Plan is limited to the balance of the Participant's account minus the balance of all outstanding loans as of the date of distribution to the Alternate Payee. A Participant's outstanding loan (and his/her repayment obligations under the loan) cannot be assigned to an Alternate Payee. All submitted Orders that affect an account balance with an outstanding loan, must specifically state the intent of the parties regarding the treatment of the loan, and must acknowledge the administrative limitation identified above (regarding the maximum amount that can be assigned to an Alternate Payee).
- **Earnings and Losses** - In the absence of specific instructions within the Order to do so, the Plan will calculate investment earnings and losses on the Alternate Payee's assigned benefit.
- **Loans** - If the Alternate Payee is being assigned a percentage of the Participant's account balance as of a particular assignment date, the DRO must specify whether the value of any outstanding loan(s) on such assignment date, will be included or excluded for purposes of calculating the Alternate Payee's benefit.

Note: Included: means that the Participant's account balance on the assignment date is not reduced by the value of any outstanding loan(s) prior to calculating the split amount

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- The Plan requires that all final DROs include the social security number and birth date of both the Participant and Alternate Payee.
 - The Alternate Payee must keep the Plan Administrator informed of any address changes.
 - In the event of an ambiguity within the DRO that would otherwise constitute a QDRO, the QDRO Administrator on behalf of the Plan Administrator may accept a written notarized letter of clarification, signed by the Participant and Alternate Payee resolving the ambiguity.
 - If the DRO is not an original certified Order, but instead is a certified copy of the original Order or a file-stamped copy of the original Order, it will suffice for purposes of qualification.
 - Upon QDS' receipt of an order subsequent to a QDRO case being closed (except where the Order seeks to nullify or vacate a previously submitted order), an \$800 QDRO fee will be assessed.
6. **Death of Participant** - If the death of a Participant occurs prior to, or during, the QDRO Determination process, the QDRO Determination will continue. If the DRO is determined to be qualified, the Plan will allocate the benefits in accordance with the QDRO.
7. **Death of Alternate Payee** - If the death of an Alternate Payee occurs after qualification, but prior to the receipt of a distribution under the Plan, the benefits will be distributed in accordance with the

Alternate Payee's beneficiary form or, in the absence of a surviving beneficiary, to the Alternate Payee's estate.

Step III – QDRO Processing

1. **Alternate Payee Distribution Options** - QDS' qualification letter will detail the Alternate Payee's distribution options available under the Plan. The Alternate Payee shall be entitled to elect to receive an immediate distribution or effect a rollover after the Alternate Payee's account has been established. While the Alternate Payee's award is held in the Plan, Alternate Payee direction of the accounts will be permitted pursuant to the terms of the Plan; however, no withdrawals for financial hardships or loans will be allowed. If no election for a distribution is made after the qualification letter, the amount shall be held in the Plan, unless a distribution is required under the terms of the Plan (e.g. - amount is \$5,000 or less or the Alternate Payee is age 70 ½).
2. **Account Division** – QDS will forward a copy of the qualification letter to the Vanguard Recordkeeping Services Team. If the QDRO has not stated otherwise, the division will be on a pro-rata basis among the investments within the Participant's account. The benefit payable to the Alternate Payee will be invested in the same investment elections as the Participant upon separation of the account. The Vanguard Recordkeeping Services Team will remove the hold from the Participant's account immediately after the establishment of the Alternate Payee's account.