



CHECKLIST FOR RETIREMENT DIVISION PURSUANT TO A DIVORCE

In order to divide a retirement account your Divorce Agreement or Judgment should contain the following information for every plan that is being divided (see Glossary of terms on page 5):

Basic Information:

- Full Names of parties and current Addresses
- Identification of which person is the Plan Participant and who will be the Alternate Payee
- Official full Retirement Plan Name
- Type of Retirement Plan being divided (401k, 403b, Pension, IRA, etc.)
- Date of Division (Note: this is the date on which the value is being calculated as of, the actual date the account funds are segregated and transferred will be after the QDRO is approved).
- Who is responsible for the fees/costs, if any, of dividing the retirement plan?
- If a QDRO/DRO is necessary:
 - Who is responsible for hiring and paying the fee of a QDRO/DRO Preparation Expert?
 - Identify who the QDRO/DRO Preparation Expert will be
 - Identify the deadline for hiring the QDRO/DRO Preparation Expert and the deadline for submitting the QDRO/DRO to the court (taking into account possible pre-approval process timeline).

In addition to this basic information, additional information will be needed depending on the type of plan. Pages 2-4 below contain checklists for IRAs, 401ks, 403bs, and Pensions.



Information necessary to divide an IRA: In order to divide an IRA, a QDRO/DRO is usually not necessary if the Divorce Agreement or Judgment contains the following minimum information in addition to the list above:

- Identifying Information for the Account (e.g. last four digits of account number)
- Exact Dollar Amount or Percentage to be divided as of the Date of Division (Note: can't be an amount plus a percentage, must be one or the other)
- Will Gains/Losses on the account be shared from the Date of Division?
- Will only the marital coverture portion be divided, and if so how will the marital coverture be calculated? (Note: If marital coverture calculation is included, check with Plan Administrator before finalizing Agreement that the Plan Administrator can do the required calculation)
- Will an account balance that is invested in multiple funds be split on a pro rata basis?
- If dividing on a percentage basis, will the value of any loans against the account be included in the calculation?

Information necessary to divide a 401(k), 403(b), or a similar type of account: In order to divide an 401(k), 403(b), or similar type of account, a QDRO will be necessary. The QDRO preparation will go smoothly if the Divorce Agreement or Judgment contains the following minimum information in addition the list above:

- Exact Dollar Amount or Percentage to be divided as of the Date of Division (Note: can't be an amount plus a percentage, must be one or the other)
- Will Gains and Losses on the account be shared from the Date of Division?
- Will only the marital coverture portion be divided, and if so how will the marital coverture be divided? (Note: If marital coverture calculation is included, check with Plan Administrator before finalizing Agreement that the Plan Administrator can do the required calculation)
- Will an account balance that is invested in multiple funds be split on a pro rata basis?
- If dividing on a percentage basis, will the value of any loans against the account be included in the calculation?

Learn more at GrayJayQDROs.com

QDRO Preparation, Retirement Addendum Drafting, and Retirement Division Consultations



Information necessary to divide a Pension: In order to divide a defined benefit plan, also sometimes called a pension, or similar type of account, a QDRO will be necessary. The QDRO preparation will go smoothly if the Divorce Agreement or Judgment contains the following minimum information in addition the list above:

- Will the Alternate Payee receive a Separate Interest or Shared Interest Award? (Note: Separate Interest is not allowed under all plans)

If Separate Interest is chosen:

- Will the Alternate Payee receive a periodic payment or lump sum? (Note: lump sum is not allowed under all plans, and is usually a much smaller amount)

If Shared Interest is chosen:

- Will Plan Participant's benefit be divided as an accrued benefit (as of the date of division) or as a projected benefit (as of the date of retirement)? (Notes: if choosing accrued benefit total benefit may be lower but marital coverture will be greater; some states require projected benefit).
 - If there is an option to list a pre-retirement survivor beneficiary, will the Alternate Payee be listed as the beneficiary?
 - If there is an option to list a post-retirement survivor beneficiary, will the Alternate Payee be listed as the beneficiary?
 - If there are different "options" for survivor benefits, which "option", will the Plan Participant be required to choose a specific option?
 - If there is a reduction in the lifetime benefit to pay for the survivor benefit option, whose share will the payment be taken from?
- Exact Dollar Amount or Percentage to be divided (Note: can't be an amount plus a percentage, must be one or the other, and an amount can only be used in a lump sum separate interest division)

If Percentage is chosen:

- Whether only the marital coverture portion is to be divided, and if so how the marital coverture is being divided (Note: If marital coverture calculation is included, check with Plan Administrator before finalizing Agreement that the Plan Administrator can do the required calculation)

Learn more at GrayJayQDROs.com

QDRO Preparation, Retirement Addendum Drafting, and Retirement Division Consultations



- If the pension plan includes cost-of-living adjustments, will the Alternate Payee share in those adjustments?
- If the pension plan allows the Plan Participant to take the pension early in the case of a disability or early retirement, will the Alternate Payee's share the change benefit in the same manner as the full retirement benefit?

The above checklist is the minimum information required in each case. Additional information may be necessary depending on the specific terms of the plan.

Documentation & Additional Information to be provided to QDRO/DRO Preparation Expert:

We will need the following additional information and documentation to complete the necessary paperwork:

Documentation:

- A recent statement for the Plan, and any correspondence with the Plan provider or Plan Administrator.
- A copy of the case caption.
- A copy of the property settlement agreement or judgment, which details the retirement distribution terms.

Additional Information:

- Parties' E-mail, Telephone Numbers, Dates of Birth, and full Social Security Numbers
- Date of Marriage
- Date of Divorce (Note: in Massachusetts there are two dates, the Nisi date and the Absolute date)
- Full Name and Contact Information (address, e-mail and telephone number) for the Attorneys, if any
- Full Name and Contact Information (address, e-mail and telephone number) for the Plan Administrator

Learn more at GrayJayQDROs.com

QDRO Preparation, Retirement Addendum Drafting, and Retirement Division Consultations



Glossary of Terms:

Alternate Payee: The person who is receiving the award or transfer of a portion of a retirement plan, and who was not originally a participant in the plan.

DRO: Acronym for Domestic Relations Order. This is the type of order necessary to direct a Plan Administrator to divide a retirement plan that does not qualify under the federal employment rules, such as an IRA or state pension.

Plan Administrator: The person who is designated by the Plan company to be in charge of accepting and approving domestic relations orders.

Plan Participant: The person who is the owner/beneficiary of a retirement plan either through their own contributions or the contributions of their employer (or both).

Pre-Retirement Survivor Beneficiary: The person who will receive the survivor benefit for the pension if the plan participant dies prior to their retirement.

Post-Retirement Survivor Beneficiary: The person who will receive the survivor benefit for the pension if the plan participant dies after they begin drawing from their retirement plan.

QDRO: Acronym for Qualified Domestic Relations Order. This is the type of order necessary to direct a Plan Administrator to divide a retirement plan qualified under the federal employment rules such as a 401k or 403b.

Separate Interest Award: A division of the pension benefit where the account is separated into separate accounts and the Alternate Payee receives their portion of the benefit in their own separate account. If paid as a periodic payment (usually on a monthly basis) then the Alternate Payee will have their own payment dates and survivor rights based on their lifetime, and will not be tied to the Plan Participant.

Shared Interest Award: A division of the pension benefit where the account remains joint until Plan Participant retires, and upon retirement the benefit is divided as paid (usually on a monthly basis) pursuant to the percentage required per the QDRO. In this option, the Alternate Payee's interest is tied to the retirement date of the Plan Participant.

Learn more at GrayJayQDROs.com

QDRO Preparation, Retirement Addendum Drafting, and Retirement Division Consultations

