

**ARKANSAS TEACHER RETIREMENT SYSTEM
MODEL QUALIFIED DOMESTIC RELATIONS ORDER**

IN THE CIRCUIT COURT OF _____ COUNTY,
ARKANSAS

PLAINTIFF

No. _____

DEFENDANT

QUALIFIED DOMESTIC RELATIONS ORDER

(Introduction describing how the case came before the Court for disposition.) The Court finds and orders that this Qualified Domestic Relations Order, pursuant to Act 1143 of 1993 as amended, is an integral part of and is incorporated into the judgment, decree or order of this Court entered _____ (Date) which relates to the provisions therein for child support, alimony or marital property rights, including approval of a property settlement agreement, awarded to a spouse or former spouse, child or other dependent of _____ (Name of Plan Participant) "the Member", of the Arkansas Teacher Retirement System "the Plan."

I. PARTIES TO THIS ORDER

[MEMBER'S NAME] _____ is the Member under this order whose date of birth is [MEMBER'S DATE OF BIRTH]. [ALTERNATE PAYEE'S NAME] _____ is "the Alternate Payee" under this order whose date of birth is [ALTERNATE PAYEE'S DATE OF BIRTH]. The Member and the Alternate Payee were married on [DATE OF MARRIAGE]. The parties received a divorce or other final marriage dissolution on [DATE OF DIVORCE].

II. MEMBER'S RETIREMENT ANNUITY – MONTHLY BENEFITS

(Choose either A or B)

A. Marital Portion -The Alternate Payee is awarded [_____%] of the Member's accrued retirement annuity from the date of the marriage to the date of divorce. The marital portion shall be paid to the Alternate Payee as an annuity, payable for the Member's lifetime. All annuity benefits paid to the Alternate Payee shall be paid as a straight life annuity. No survivor or other death benefits will be payable upon the Alternate Payee's death.

[OR]

B. Set Amount. The Alternate Payee is awarded [\$_____] of the Member's monthly retirement benefit as of the date of divorce. The set amount of the Member's monthly benefit assigned to the Alternate Payee under this Order may not exceed the Member's total monthly benefits payable as of the date of divorce. The set amount will be paid monthly to the Alternate Payee for the Member's lifetime. No survivor or other death benefits will be payable upon the Alternate Payee's death.

III. TEACHER DEFERRED RETIREMENT OPTION PLAN (T-DROP)

[Include this section only if (i) the Member participated in the deferred retirement option plan during the marriage and (ii) the Member has not received his/her deferred retirement option plan distribution prior to entry of this QDRO.]

[Choose A or B]

A. Marital Portion. The Alternate Payee is awarded _____ % of the Member's T-DROP plan deposits and plan interest deposited in the Member's T-DROP account from the date of marriage to the date of divorce. The Plan shall calculate interest in the T-DROP account by totaling the amount of T-DROP plan deposits and plan interest deposited during the marriage and multiplying that amount by the percentage stated above.

Any T-DROP benefits paid to the Alternate Payee under this order will be paid upon the Member's distribution of T-DROP plan benefits in accordance with the Plan. The distribution shall be paid to the Alternate Payee under the same distribution option elected by the Member.

B. Set Amount. The alternate payee is awarded \$_____ of the Member's T-DROP plan deposits and plan interest deposited in the Member's T-DROP account as of the date of divorce. The set amount of the Member's T-DROP account assigned to the Alternate Payee under this Order may not exceed the Member's T-DROP account balance, credited by the Plan, as of the date of divorce.

Any T-DROP benefits paid to the Alternate Payee under this order will be paid upon the Member's distribution of his/her T-DROP plan benefits in accordance with the Plan. The distribution shall be paid to the Alternate Payee under the same distribution option elected by the Member.

IV. EFFECTIVE DATE OF MONTHLY RETIREMENT BENEFITS UNDER THIS ORDER

The Plan shall begin benefit payments to the Alternate Payee in accordance with applicable Plan provisions governing distributions to its

members. Payments to the Alternate Payee will occur upon the earlier of: (1) when the Member retires and begins receiving retirement benefits, or (2) when the Member ceases to be an active participant of the Plan and requests a refund of his/her deposit account. If the Member is retired upon the Plan's receipt of a QDRO, benefits to the Alternate Payee will commence the month following the date the Plan has accepted and processed the order.

**V. MEMBER'S DEPOSIT ACCOUNT –
PAYMENT OF EMPLOYEE CONTRIBUTIONS and INTEREST
UPON MEMBER'S REFUND**

[Choose A or B]

A. Marital Portion. If the Member discontinues covered employment and withdraws his/her contributions including interest deposited by the Plan as a lump sum, the Alternate Payee shall receive [_____] % of the Member's contributions and interest deposited from the date of marriage to the date of divorce.

[OR]

B. Set Amount. If the Member discontinues covered employment and withdraws his/her contributions including interest deposited by the Plan as a lump sum, the Alternate Payee shall receive the set amount of [\$_____] from the Member's deposits upon distribution of the refund by the Plan. The set amount of the Member's deposit account assigned to the Alternate Payee in this Order may not exceed the Member's account balance plus interest credited by the Plan as of the date of divorce.

VI. MEMBER'S DEATH PRIOR TO RETIREMENT

[Choose A or B]

A. Marital Portion. If the Member dies prior to retirement and a retirement or survivor annuity is not payable by the Plan because of the Member's death, the Alternate Payee shall receive [_____] % of the Member's contributions and interest deposited from the date of marriage to the date of divorce.

[OR]

B. Set Amount. If the Member dies prior to retirement and a retirement or survivor annuity is not payable by the Plan because of the Member's death, the Alternate Payee shall receive the set amount of [\$_____] from the Member's contributions and interest deposited by the Plan. The set amount of the Member's deposit account assigned to the Alternate Payee in this order may not exceed the Member's account balance and interest credited by the Plan as of the date of divorce.

VII. ADDITIONAL LIMITATIONS OF THIS ORDER

- A. If the Alternate Payee dies prior to the receipt of benefits under this Order, the entire amount that may be due to the Alternate Payee reverts to the Member.
- B. All cost of living adjustments or other benefit enhancements adopted by the Arkansas General Assembly or the Plan's Board of Trustees after the date of this order shall be credited to the Member and shall not be included in the calculations under this Order or otherwise be assigned to the Alternate Payee.
- C. If the Member or Alternate Payee receives any distributions that should not have been paid under this Order, that party is designated a constructive trustee for the amount received and shall immediately notify the Plan. The Plan reserves all rights to adjust payments or otherwise collect amounts owed to the Plan under Arkansas Code § 24-7-205.
- D. Both parties are ORDERED to provide the Plan prompt written notification of any changes in their respective mailing addresses. The Plan shall not make payments to the alternate payee under this order until the Plan has received such documentation as it determines to be necessary for the proper administration of the Plan, and the Plan will not be liable for failing to make payments to Alternate Payee if the Plan does not have a current mailing address for Alternate Payee at time of payment.
- E. If payments from the Plan to the Alternate Payee are determined to be less than \$20.00 a month, the Court orders the Plan to disburse the money to the Member who shall pay same to the Alternate Payee.
- F. Member or Alternate Payee shall furnish a certified copy of this Order to the Plan. Upon acceptance of this Order, the Member consents to disclosure of his/her Plan account information to the Alternate payee or his/her authorized representative to the extent necessary to administer this Order.
- G. Both parties to this Order agree to provide the Plan all required forms and elections necessary for it to administer the provisions of this Order.
- H. The Court retains jurisdiction to amend this Order so that it will constitute a qualified domestic relations order under the Plan even though all other matters incident to this action or proceeding have been fully and finally adjudicated. If the Plan determines at any time that changes in the law, the administration of the Plan, or any other circumstances make it impossible to calculate the portion of the distributions awarded to alternate payee by this Order and so notifies the parties, either or both parties shall immediately petition the Court for reformation of the Order.

- I. In no event shall this Order require the Plan to provide increased benefits to the parties than those benefits provided under applicable Plan benefits as of the entry of this Order. Any provision of this Order which appears to be otherwise shall be void and have no effect.
- J. This Order shall not require the Plan to provide any type or form of benefit, or option not otherwise available to the Member; nor shall it require the payment of any benefits to the alternate payee which are required to be paid to another alternate payee of another order previously determined by the Plan to be a qualified domestic relations order. Any provision of this Order that provides otherwise shall be void and have no effect.

IT IS SO ORDERED THIS _____ DAY OF _____, 20_____

CIRCUIT JUDGE

Adopted: December 21, 2008
(Arkansas Legislative Council)