

INSTRUCTIONS

Model Eligible (Pre-retirement Coverture Fraction Division) Domestic Relations Order (EDRO) Kent County Employees' Retirement Plan

If you have gone or are going through a divorce and a portion of your accrued benefit under the pension will be assigned to your spouse or former spouse, a Domestic Relations Order (DRO) is necessary. The property settlement, as outlined in a Judgment of Divorce, is not sufficient for the County to take action. This model Domestic Relations Order is available as a service to assist employees and their attorneys pertaining to benefits under the Kent County Employees' Retirement Plan (Pension Plan). This model is compliant with both EDRO Law and the written terms of the Pension Plan document and can therefore save time and money. IF the model is used, without modification and in conjunction with a benefit calculation from Kent County's Retirement Services Division of the Human Resources Department, it can be reviewed, approved and implemented by Retirement Services staff very quickly, at no cost.

The following are necessary steps:

- Determine the percentage of the marital portion that will be assigned.
- The agreed upon percentage is applied to the Straight Life benefit amount on the calculation.
- The percentage and corresponding dollar amount of benefit from the steps above will be used in paragraph 4a of the model Domestic Relations Order.

Should you and your attorney deem it appropriate to modify the model or draft an entirely different Domestic Relations Order, review of these Domestic Relations Orders will be handled by the plan's attorney at a cost of \$500 per review. If this is the option that you choose, submit a check made payable to: Kent County Employees' Retirement Plan in the amount of \$500 with the Domestic Relations Order. Please know that modifications may be needed prior to implementation of the order which may incur additional legal fees and time for approval and implementation. **This process can be followed for a pre-approval prior to the Order being entered into court.**

Please send the Domestic Relations Order and/or check to:

Kent County Human Resources
Attn: Retirement Services
300 Monroe Ave NW
Grand Rapids, MI 49503

For questions or assistance, you may contact Kent County Retirement Services at:

kcretirement@kentcountymi.gov

This model domestic relations order is provided to assist attorneys for participants and alternate payees in assigning benefits of the Kent County Employees' Retirement Plan in connection with a divorce. Kent County disclaims any responsibility for the appropriateness of its use or application in any particular matter. Participants, alternate payees and their attorneys are responsible for the use of this Model Order and application to their particular circumstance.

Model Eligible (Pre-retirement Coverture Fraction Division) Domestic Relations Order Kent County Employees' Retirement Plan

STATE OF MICHIGAN

THE CIRCUIT COURT FOR THE COUNTY OF _____

Plaintiff,

Case No. _____

vs.

Hon. _____

Defendant.

_____/

_____(P)

Attorney for Plaintiff

Telephone: _____

_____/

_____(P)

Attorney for Defendant

Telephone: _____

_____/

At a session of this Court, held at the Hall of Justice in the City of _____, State of _____, County of _____, this ____ day of _____, 20__.

PRESENT: Hon. _____
Circuit Judge

This Order is intended to serve as an Eligible Domestic Relations Order (“EDRO”) by which the Participant assigns a portion of the Participant’s retirement benefits under the Kent County Employees’ Retirement Plan (the “Plan”) to the Alternate Payee;

This Order follows a model form provided by the Board of Trustees for the Plan;

The Parties and the Court intend that this Order be construed and administered under MCL § 38.1701, et. seq.; and

It is intended that this Order be incorporated in the Judgment of Divorce entered _____, 20___, and made a part thereof.

NOW, THEREFORE, IT IS ORDERED THAT:

1. The retirement benefit plan subject to this Order is:

Kent County Employees’ Retirement Plan
c/o The Kent County Human Resources Office
300 Monroe Avenue N.W.
Grand Rapids, Michigan, 49503
Attention: Pension Administrator

2. The Participant in the Plan is _____, whose last known address and telephone number are:

() _____

The social security number and date of birth of the Participant are provided on an attachment to this Order which will not be filed with the Court.

3. The Alternate Payee in the Plan is _____, whose last known address and telephone number are:

() _____

The social security number and date of birth of the Alternate Payee are provided on an attachment to this Order which will not be filed with the Court.

4. The Alternate Payee is awarded a portion of the benefits to which the Participant is entitled under the Plan as follows:

a. The Alternate Payee is awarded and shall be entitled to a monthly benefit under the Plan equal to _____% of the “marital portion” of the Participant’s accrued benefit under the Plan as of the date benefit payments begin.

The “marital portion” shall equal the Participant’s accrued benefit multiplied by the following fraction:

$$\frac{\text{Number of months of service credited to the Participant under the Plan during the marriage.}}{\text{Number of months of service credited to the Participant under the Plan up to the commencement of benefits to the Participant.}}$$

The monthly benefit payable to the Alternate Payee will be payable over the Participant’s lifetime unless the Alternate Payee elects an alternate form of payment.

b. None of the Participant’s accumulated employee contributions will be awarded to the Alternate Payee.

c. The benefit payable to the Alternate Payee will begin on the date that payment of the Participant’s benefit commences.

d. The Alternate Payee may elect to have benefits paid for the balance of the Alternate Payee’s life or in any form permitted by the Plan; but the Alternate Payee may not elect a joint and survivor form of payment contingent on the life of any person except the Participant and Alternate Payee. The monthly payment to the Alternate Payee will be actuarially adjusted (using the actuarial assumptions used by the Plan for funding purposes) so that the cost of providing an optional form of benefit equals the cost of the benefit form described in part 4.a. above.

e. If the Plan pays any post-retirement cost of living increases on benefits being paid from the Plan, the Alternate Payee will be entitled to a proportionate share of each increase that is declared and paid to or on behalf of the Participant after the date of this Order. Nothing herein will require the Plan to pay any post-retirement cost of living increases at a date earlier than the date the Participant has retired and has later become eligible for such post-retirement increase.

f. For the period from date of entry of this Order to the date benefit payments commence, the Alternate Payee will be considered a surviving spouse of the Participant for all purposes under the Plan, including the surviving spouse benefit, but only to the extent of the Alternate Payee’s benefit under this Order. This amount will be allocated to the Alternate Payee before any amounts are allocated to the current spouse of the Participant or any other beneficiary named by the Participant. If survivor benefits are

payable under the Plan in excess of the benefits payable to the Alternate Payee, such excess benefits may be paid to the Participant's surviving spouse or other beneficiary.

g. If the Alternate Payee under this Order dies before commencement of payments, the interest of the Alternate Payee in the Plan will revert to the Participant.

h. The benefit to which the Participant is entitled under the Plan will be reduced by the amount of the benefit assigned to the Alternate Payee by this Order.

i. The Alternate Payee will include in the Alternate Payee's gross income for the tax year of receipt all taxable retirement benefit distributions received pursuant to this Order. The Participant will not include these benefits in the Participant's gross income.

5. The Alternate Payee will notify the Plan in writing of any change of address or telephone number. No benefit will be payable to the Alternate Payee unless the Alternate Payee makes a written application to the Plan on a form acceptable to the Plan not less than 30 days nor more than 180 days prior to the date Alternate Payee desires to have benefits commence. The Plan will have no liability for benefits prior to the date the application is filed.

6. This Order will not require the Plan to provide any type or form of benefit or any option that is not otherwise provided under the terms of the Plan. In the event of any dispute regarding the terms of this Order, the dispute will be resolved in a manner that is consistent with the terms of MCL § 38.1702(e)(vi) so that this Domestic Relations Order does not require the Plan to provide an increased benefit determined on the basis of actuarial value.

7. The parties agree that their mutual intent is to provide Alternate Payee with a benefit that fairly represents what the Court has ordered to be the Alternate Payee's marital share of the Participant's accrued benefit under the Plan. If this Order is determined not to be an EDRO by the Plan, the parties agree that they will request a modification of the Order from this court to make it an EDRO that will reflect the parties' intent.

8. This Order will be served by the Alternate Payee on the Plan by certified mail, return receipt requested, and a copy of the proof of service will be filed with this court.

9. This Order will be attached to the Judgment of Divorce entered _____, 20____, and made a part thereof.

Circuit Court Judge

Approved as to form and content:

Plaintiff

Dated: _____

Attorney for Plaintiff

Dated: _____

Defendant

Dated: _____

Attorney for Defendant

Dated: _____

TO BE OMITTED FROM THE PUBLIC RECORD
ATTACHMENT to THE DOMESTIC RELATIONS ORDER IN

Case No.

[PARTICIPANT NAME]

Social Security Number: _____

Date of Birth: _____

[ALTERNATE PAYEE NAME]

Social Security Number: _____

Date of Birth: _____