

# PBGC Model Shared Payment QDRO

(You may use this model when a defined benefit pension plan has terminated, PBGC has become trustee of the plan, and PBGC is to pay the alternate payee a portion of the participant's monthly benefit payments. **You may use this model either before or after the participant's benefit payments have started; however, benefit payments to the alternate payee cannot start until the participant's benefit payments have started. Please read instructions for important information.**)

IN THE \_\_\_\_\_ COURT OF \_\_\_\_\_  
DIVISION \_\_\_\_\_ COUNTY \_\_\_\_\_

-----X  
IN RE MARRIAGE/SUPPORT OF :  
\_\_\_\_\_  
PETITIONER, :  
V. : CASE NO. \_\_\_\_\_  
\_\_\_\_\_  
PARTICIPANT, RESPONDENT. :  
-----X

## QUALIFIED DOMESTIC RELATIONS ORDER

This Order is intended to be a qualified domestic relations order ("QDRO"), as that term is defined in section 206(d) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and section 414(p) of the Internal Revenue Code of 1986, as amended ("Code"). This Order is granted in accordance with **[applicable state domestic relations law citations]**, which relate to marital property rights, child support, and/or spousal support between spouses or between a spouse and a former spouse in matrimonial actions.

### SECTION 1. IDENTIFICATION OF PLAN

This Order applies to benefits under the **[formal name of plan]** ("Plan"). The Pension Benefit Guaranty Corporation ("PBGC") is trustee of the Plan.

### SECTION 2. IDENTIFICATION OF PARTICIPANT AND ALTERNATE PAYEE

a. **[Name of the Participant]** is eligible to receive a benefit from the Plan and is hereafter referred to as the "Participant." The Participant's mailing address is **[address]**. The Participant's Social Security Number is **[Social Security Number]**.

b. **[Name of the Alternate Payee]** is hereafter referred to as the “Alternate Payee.” The Alternate Payee’s mailing address is **[address]**. The Alternate Payee’s Social Security Number is **[Social Security Number]**. The Alternate Payee is the **[spouse/former spouse/child/other dependent]** of the Participant.

### **SECTION 3. AMOUNT OF BENEFIT TO BE PAID TO ALTERNATE PAYEE**

a. Starting at the time specified in section 5, PBGC shall pay to the Alternate Payee **[\$x/x%]** of each of the Participant’s monthly benefit payments.

b. **OPTIONAL:** When **[insert future event]** occurs and PBGC is notified in writing, PBGC shall **[increase/decrease]** the amount paid to the Alternate Payee from each of the Participant’s monthly benefit payments to **[\$x/x%]**.

### **SECTION 4. PBGC BENEFIT ADJUSTMENTS**

If PBGC adjusts the Participant’s benefit from the benefit payable under the Plan, any reduction shall be applied by decreasing **[pro rata the Participant’s and the Alternate Payee’s benefits/the Participant’s benefit first/the Alternate Payee’s benefit first]**, and any increase shall be applied by increasing **[pro rata the Participant’s and the Alternate Payee’s benefits/the Participant’s benefit/the Alternate Payee’s benefit]**.

### **SECTION 5. BENEFITS START**

Payments to the Alternate Payee shall be payable as of **[such future date as the Alternate Payee elects/a future specified date/the date when PBGC starts payments to the Participant]**. (This date must be the first day of a month and cannot be before the Participant’s “earliest PBGC retirement date,” which is defined in 29 C.F.R. §4022.10.) Payment shall not be made until PBGC qualifies this domestic relations order and receives a PBGC benefit application from the Alternate Payee. Payments to the Alternate Payee shall not start earlier than the date the Participant starts payments.

## SECTION 6. FORM OF BENEFIT

The Alternate Payee shall not have the right to elect a form of benefit. The amount paid to the Alternate Payee will be determined by the benefit form elected by the Participant.

## SECTION 7. BENEFITS STOP

Except for any survivor benefits described in section 10, PBGC shall make payments to the Alternate Payee until the **[earlier of the Participant's or Alternate Payee's death/earlier of: the Participant's or Alternate Payee's death, a specific date, or the date PBGC is notified in writing of the occurrence of [insert specific event]]**.

## SECTION 8. DEATH OF PARTICIPANT

Except for any survivor benefits described in section 10, if the Participant dies before the Alternate Payee, the Alternate Payee is not entitled to any payments as of the first of the month following the Participant's death.

## SECTION 9. DEATH OF ALTERNATE PAYEE

If the Alternate Payee and, if applicable, the Contingent Alternate Payee, dies before the Participant, PBGC shall return the Participant's monthly benefit payments to the amount that the Participant would be receiving had there been no Order. **(See Appendix F for substitute model language if a contingent alternate payee is named.)**

## SECTION 10. SURVIVING SPOUSE RIGHTS OF ALTERNATE PAYEE

**[Note: Section 10 applies only if benefit payments to the Participant have not started and the Alternate Payee is the spouse or former spouse of the Participant.]**

a. PBGC **[shall/shall not]** treat the Alternate Payee as the Participant's spouse for purposes of the Participant's qualified joint-and-survivor annuity. If the word "shall" was selected in the preceding sentence, the qualified joint-and-survivor annuity payable to the Alternate Payee shall be based on **[all/specify another portion (\$x/x%)]** of the Participant's benefit.

b. PBGC [**shall/shall not**] treat the Alternate Payee as the Participant's spouse for purposes of the Participant's qualified preretirement survivor annuity. If the word "shall" was selected in the preceding sentence, the qualified preretirement survivor annuity payable to the Alternate Payee shall be based on [**all/specify another portion (\$x/x%)**] of the Participant's benefit.

## **SECTION 11. OTHER REQUIREMENTS**

Nothing in this Order shall require PBGC:

- a. To pay any benefits not permitted under ERISA or the Code;
- b. To provide any type or form of benefit or any option not paid by PBGC with respect to the Plan;
- c. To pay benefits to the Participant and Alternate Payee with a total value in excess of the value of the benefits the Participant otherwise would receive under Title IV of ERISA;
- d. To pay benefits to the Alternate Payee that are required to be paid to another alternate payee under another QDRO that is in effect prior to this Order.
- e. To pay benefits to the Alternate Payee for any period before PBGC receives this Order; or
- f. To change the benefit form if the Participant is already receiving benefit payments.

## **SECTION 12. RESERVATION OF JURISDICTION**

The Court reserves jurisdiction to amend this Order to establish or maintain its status as a QDRO under ERISA and the Code.

IT IS SO ORDERED:

Date: \_\_\_\_\_

\_\_\_\_\_  
JUDGE