

# The Benefits Plan and Divorce

A Guide for Members and Spouses



**THE BOARD OF PENSIONS**  
OF THE PRESBYTERIAN CHURCH (U.S.A.)



# Table of Contents

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<b>1. Overview</b>	<b>1</b>
Disclosure of Personal Information	1
Neutrality of the Board	2
Domestic Relations Order (DRO)	2
Communications from the Board	2

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<b>2. Retirement Plans</b>	<b>3</b>
The Pension Plan	3
Retirement Pension Benefit	3
Survivor's Pension Benefit	3
Experience Apportionments	3
Effect of Divorce	3
Lump-Sum Settlements and Cashouts	5
Statement of Pension Credits, Estimate of Value	5
The Retirement Savings Plan	5
Effect of Divorce	5
Statement of Account Balance	5

---

<b>3. Death and Disability Plan</b>	<b>6</b>
Death Benefits	6
Effect of Divorce	6
Disability Benefits	7
Effect of Divorce	7

---

<b>4. Supplemental Death Benefits Coverage</b>	<b>8</b>
Effect of Divorce	8

---

<b>5. Medical Plan</b>	<b>9</b>
Effect of Divorce	9

---

<b>6. Dental Plan</b>	<b>10</b>
Effect of Divorce	10

---

<b>7. Appendices</b>	<b>11</b>
Appendix I	
Domestic Relations Order Checklist	12
Appendix II	
Drafting Information for the Pension Plan	14
Appendix III	
Pension Plan Sample Domestic Relations Order	15
Appendix IV	
Drafting Information for the Retirement Savings Plan	16
Appendix V	
Retirement Savings Plan	
Sample Domestic Relations Order	17
Appendix VI	
Related Board of Pensions Publications	18



# 1 Overview

When a Benefits Plan member goes through a divorce or legal separation (in states where recognized), coverage under The Benefits Plan of the Presbyterian Church (U.S.A.) is affected. This guide is intended as a guide for members, spouses, and attorneys in this time of transition. A list of additional Board of Pensions publications that can supplement this guide appears in Appendix VI.

The Benefits Plan defines *spouse* as “an individual who is legally married to a Member and in a marriage that conforms to the definition of marriage in the Book of Order of the Presbyterian Church (U.S.A.)”

A member must notify the Board of a divorce within 60 days of the event through the Life Event Change request on Benefits Connect. The member will be asked to submit a copy of the final divorce decree or legal separation order. If pension or Retirement Savings Plan of the Presbyterian Church (U.S.A.) benefits are being shared with or distributed to a former spouse in connection with the divorce, a member or former spouse must also submit a court order — a domestic relations order (DRO) — approving the assignment of the benefits to the former spouse. At the end of this document, the Board provides two sample court orders for the convenience of the member, the former spouse, and the attorneys. Using this form for the DRO will save time and attorney’s fees.

The Benefits Plan is a *church plan*, as defined by section 414(e) of the Internal Revenue Code (Code) and section 3(33) of the Employee Retirement Income Security Act of 1974 (ERISA). Unlike corporate benefits plans, church plans are generally exempt from all or most requirements imposed by Title I of ERISA, Consolidated Omnibus Budget Reconciliation Act (COBRA), and Code section 414(p) for qualified domestic relations orders (QDRO).

Members and spouses should provide this booklet to their attorneys early in the process of ending a marriage or a legal separation to help them understand how the plan works. General information about the plan’s benefits is also available on [pensions.org](https://pensions.org).

## DISCLOSURE OF PERSONAL INFORMATION

The Board has strict confidentiality policies on disclosure of personal information. Generally, no information about a member’s benefits is released to anyone other than the member (including the member’s attorney) without the member’s written authorization. The Board will provide a member’s spouse with pension credit accrual and pension quote information to assist in the preparation of a DRO if the spouse or his or her attorney makes a written request, and notes that the information is required to negotiate or prepare an order in a divorce proceeding.

This guide is a summary of certain Benefits Plan provisions and Board of Pensions policies. If there are any inconsistencies between the information in this guide and the terms of the plan document, the official plan document will govern. The official plan document — The Benefits Plan of the Presbyterian Church (U.S.A.) — is available on [pensions.org](https://pensions.org) or by request from The Board of Pensions of the Presbyterian Church (U.S.A.), 800-773-7752 (800-PRESPLAN).

### A Checklist for Members and Spouses

1. Promptly report separation, divorce, dissolution, or new marriage to the Board.
2. Notify Board of change in children's status.
3. Complete new beneficiary designation form(s) after divorce is final.
4. Notify Board of new addresses for member, former spouse, and children.

Complete the above on Benefits Connect.

## NEUTRALITY OF THE BOARD

The Board remains neutral in all matters relating to divorce, including any property settlement. The Board cannot and will not provide legal advice to individual members or their spouses. The division of a member's pension is a matter of negotiation between the member and spouse. The Board cannot and will not provide information on what should be done or what is fair. The Board can assist in providing the information needed to conclude a divorce within the bounds of confidentiality and neutrality discussed here.

## DOMESTIC RELATIONS ORDER (DRO)

A DRO authorizes the equitable distribution of benefits. It is a judgment, decree, or order (including property settlement approval) issued under a state's domestic relations law (including community property law). **[Note:** As a church plan, the Benefits Plan is exempt from most requirements that apply to qualified domestic relations orders (QDROs) under the Code.]

Once the court approves a DRO, copies of it and the divorce decree or legal separation order must be submitted to the Board for review and final approval before the former spouse's rights are accepted and recorded in the Benefits Plan records.

## COMMUNICATIONS FROM THE BOARD

When the Board receives a divorce decree or legal separation order, it notifies both the member and the former spouse of the effect on their Benefits Plan enrollment. The former spouse receives information on continuing medical coverage if he or she was covered by the Medical Plan at the time of the event — as long as the Board is notified within 60 days of the event.

The Board encourages all members and their attorneys to use its sample DROs for the Pension Plan and the Retirement Savings Plan to expedite the approval process. The samples appear in the appendices of this guide. The Board requests that a proposed DRO be submitted to the Board for review before it is filed with the court for approval.

# 2

## Retirement Plans

In addition to medical, death, and disability benefits, the Benefits Plan includes the Pension Plan and the Retirement Savings Plan of the Presbyterian Church (U.S.A.) (RSP), a 403(b)(9) plan, offered to all members in Pastor's Participation and which may be offered under menu options.

### THE PENSION PLAN

The Pension Plan provides a defined benefit pension to members in Pastor's Participation. Employers choose whether to offer the Pension Plan to employees in menu options. A member's pension benefit is based on the total number of accrued pension credits. A member earns pension credits each year based on a percentage of his or her compensation as reported to the Board. There are two benefits available under the Pension Plan: a retirement pension benefit and a survivor's pension benefit.

#### Retirement Pension Benefit

The retirement pension benefit is payable in full if the member retires at age 65, the plan's normal retirement age. An adjusted amount is available if the member chooses to retire early (ages 55 to 64) or to defer retirement beyond age 65, up until age 70. The benefit is paid monthly, beginning when the member retires and ending when the member dies, except in the case of small pension settlements, which are paid in a lump sum, as explained below.

#### Survivor's Pension Benefit

The survivor's pension benefit is payable to a spouse, if he or she has been married to the member at least one year upon the member's date of death, and/or an alternate payee (if provided for in a DRO), and/or other eligible dependent(s), as permitted by the plan.

The normal survivor's pension is equal to 50 percent of the pension credits the member had accrued by the time he or she died, although other survivor options are available. The normal survivor's pension is paid to the surviving spouse for his or her lifetime. The payment of a normal

survivor's pension through a DRO to a former spouse does not reduce a member's retirement pension benefit, although it will reduce the amount payable to any current spouse upon the member's death.

#### Experience Apportionments

When the pension fund's investment and actuarial experience is favorable, the Board may grant permanent increases in pension credits and benefits, known as *experience apportionments*. The apportionment increases are granted to active, terminated vested, disabled, and retired members. If a member's pension benefits are being divided in a divorce, the DRO must specify how experience apportionments would be divided.

#### Effect of Divorce

Retirement pension and survivor's pension benefits paid on pension credits that accrue during a marriage may be subject to assignment or division as part of a property settlement agreement, provided that a court order approves the assignment. The laws regarding the division of property vary from state to state, as do the individual circumstances of members.

For the Board to honor an assignment of pension benefits, the division must be part of a DRO. The Board accepts only shared payment assignments for pension benefits. It will not accept an order that attempts to transfer credits to an account of the alternate payee. There is no lump-sum benefit available under the Pension Plan (except upon retirement, where there is a small retirement pension benefit payable, as defined in the Benefits Plan. Also, see Lump-Sum Settlements and Cashouts).

A DRO may provide that retirement pension payments to the former spouse begin anytime after the member reaches the earliest retirement age allowed under the plan (age 55). A former spouse must begin to receive payments no later than the member's pension commencement date.

A former spouse is not automatically entitled to any share of the survivor's pension benefit, regardless of how long the marriage lasted or whether it ended after the member retired. A DRO must assign survivor's pension benefits for a former spouse to receive any payments after the member's death. A previously elected survivor option is automatically canceled upon divorce or dissolution. Unless survivor's pension benefits are specifically assigned in the DRO, the former spouse will not receive any benefits after the member's death, even if the member has already started receiving pension payments.

A former spouse's pension benefits terminate when the member dies, unless the DRO includes an assignment of all or a portion of the survivor's pension benefit. Survivor benefits under the joint and survivor options are the only survivor benefits available to a former spouse if (1) the member elected the joint and survivor option with the former spouse and commenced benefits before he or she died, and (2) an assignment of the joint and survivor benefit is made in a DRO. Otherwise, a former spouse may only get an assignment of all or a portion of the normal survivor's pension benefit.

If a member elected a joint and survivor option but divorces before commencing pension benefits under the option, the divorce cancels the election. A DRO is needed to assign the survivor's pension benefit to the former spouse. (**Note:** Prior to January 1, 2007, members could pre-elect a joint and survivor option. As of January 1, 2007, members are unable to pre-elect an option.)

If no DRO is accepted and on record with the Board, and upon the member's death the member is survived by a new (current) spouse to whom the member has been married for more than one year, the current spouse would be

entitled to receive the normal survivor's pension benefit equal to 50 percent of the member's pension credits. The former spouse receives nothing because no DRO was done.

The DRO may not name a future spouse as the beneficiary of a survivor option. The amount of the survivor's pension available to an eligible future spouse will vary if a portion of the survivor's pension benefit was assigned to a former spouse in a DRO. If all of the survivor's pension benefit was assigned to a former spouse, no amount will be available to a future spouse.

A former spouse may not name a beneficiary for his or her benefits. Benefits cease upon the former spouse's death. The retirement pension benefit paid to the former spouse reverts to the member upon the former spouse's death.

(**Note:** When a retirement pension or survivor's pension benefit is divided as the result of a divorce through a DRO, the member cannot rely on the pension projection on Benefits Connect, as it does not take into account the division of pension benefits.)



## Lump-Sum Settlements and Cashouts

The Pension Plan does not allow a DRO to award a lump-sum settlement or cashout of Pension Plan benefits.

A former spouse may only receive a lump-sum payment from the Pension Plan in the following circumstances:

- If, at the time benefits begin to be paid to either the member or former spouse, the benefit is less than \$50 a month, the Board will offer the member and/or former spouse the option of a lump-sum payment.
- When a DRO has assigned retirement pension benefits to a former spouse of a terminated vested member and those benefits have an actuarial present value of less than \$1,000, the Board will automatically make a lump-sum payment to the former spouse.
- A former spouse of a terminated vested member may elect a lump-sum payment of an assignment with an actuarial present value of less than \$5,000.

## Statement of Pension Credits, Estimate of Value

The Board will provide, at the member's request, a statement of the retirement pension and/or survivor's pension that would be payable based on the pension credits that accrued during a specified period or an estimate of the cash value of the member's pension.

For RSP account information, call Fidelity at 800-343-0860. (When contacting Fidelity, refer to the RSP by its plan number: 57887.) Account information is also available by visiting [fidelity.com/atwork](https://www.fidelity.com/atwork).

For DRO information, call the Board at 800-773-7752 (800-PRESPLAN) and speak to a service representative.

## THE RETIREMENT SAVINGS PLAN

The Retirement Savings Plan of the Presbyterian Church (U.S.A.) (RSP) is a 403(b)(9) plan, which is a defined contribution plan. As participation is optional, not every PC(USA) employee has an RSP account.

The participant's account balance is based on contributions made to the RSP by the participant and, in some instances, the employer, plus gains and losses. Fidelity Investments administers the RSP.

### Effect of Divorce

The RSP account may be considered a marital asset and may be subject to division by court order. Unlike with the Pension Plan, a lump-sum distribution to a former spouse is possible with the RSP. When the Board receives an acceptable DRO, the former spouse may receive a distribution before the member reaches retirement age. The former spouse also may choose to have the funds remain in the RSP in a separate account in his or her name. A DRO for the RSP should include instructions for allocating earnings and losses through the date of division.

A participant may name any person as the beneficiary of his or her RSP account, including a former spouse or children who will no longer be considered eligible dependents after the divorce. If the participant designated his or her spouse as the beneficiary before the divorce, that designation may be voided automatically under certain state laws upon divorce.

### Statement of Account Balance

Fidelity will provide, at the plan participant's request, a statement of the participant's account balance as of a specified date. Fidelity may be reached by calling 800-343-0860 or visiting [fidelity.com/atwork](https://www.fidelity.com/atwork). (When contacting Fidelity, refer to the RSP by its plan number: 57887.)

# 3

## Death and Disability Plan

A member should review beneficiary designations through Benefits Connect after a divorce is final, regardless of whether there is a beneficiary change. The Board will not accept or enforce an irrevocable beneficiary designation in a court order or otherwise. The Board will confirm whether the person named in a court order is the current designated beneficiary, but beneficiary information is confidential and the identity of the designated beneficiary, if not the person named in the court order, will not be released to anyone other than the member. For DRO information, call the Board at 800-773-7752 (800-PRESPLAN) and speak to a service representative.

The Death and Disability Plan provides partial income replacement and benefits continuation. Participation is automatic for members enrolled in Pastor's Participation. Participation by members in menu options depends on whether the employer provides the plan.

### DEATH BENEFITS

The Death and Disability Plan is designed to ease the financial burden on members' survivors and designated beneficiaries at the time of a member's death. It provides two separate death benefits:

- The salary continuation benefit, equal to a member's death benefit basis, is paid to the designated beneficiaries of an active or disabled member. A reduced benefit is payable at the death of a retired member.
- The lump-sum death benefit is paid based on a formula that includes the lesser of a member's death benefit basis or \$100,000.

### Effect of Divorce

**Salary Continuation Benefit.** A divorce may automatically nullify a member's designation of his or her spouse as the beneficiary in some states. (Some states also restrict beneficiary changes while divorce proceedings are pending.) A member may name any person, institution, or trust as the beneficiary of the salary continuation benefit, including a former spouse or children who are no longer dependents under the plan, through Benefits Connect.

**Lump-Sum Death Benefit.** If, upon death, a member is in a marriage as defined by the Benefits Plan, this benefit will be paid to the surviving spouse. If a member dies without a surviving spouse, the benefit is paid to the member's eligible survivors or estate. The lump-sum death benefit may not be paid to a former spouse.

## DISABILITY BENEFITS

The Death and Disability Plan provides members with a source of income and continued benefits if they become disabled. Eligible members qualify for a disability benefit of 60 percent of whichever is greater: effective salary (up to a maximum covered salary of \$100,000) or the applicable median salary in effect when the member becomes disabled. The initial disability benefit will not exceed 100 percent of the member's effective salary at the time he or she becomes disabled.

## Effect of Divorce

A DRO can require the assignment of a portion of the disability benefit to a former spouse to provide for child support or alimony payments. In the case of such an assignment, the DRO must specify the percentage or dollar amount of the disability benefit to be paid. The sample DROs in this booklet do not reflect a division of the disability benefit. Questions about language for such a division should be directed to the Board by calling 800-773-7752 (800-PRESPLAN) and speaking with a service representative.

Effective salary includes any compensation received during a Benefits Plan year by a plan member, including any sums paid for housing allowance (including utilities and furnishings), 30 percent of all other compensation for a manse, deferred compensation (funded or unfunded), bonuses, lump-sum allowances, and other items credited to a member by an employer. Effective salary does not include amounts received through an accountable reimbursement plan or Social Security amounts up to 50 percent of a teaching elder's Self-Employment Contributions Act (SECA) obligations.

# 4

## Supplemental Death Benefits Coverage

Any member enrolled for the Death and Disability Plan whose employer offers supplemental death benefits coverage is eligible to subscribe for that coverage for the member, spouse, and/or children younger than 26. The coverage provides a lump-sum payment to the member's designated beneficiary or beneficiaries should the member die. If the member elects coverage for a spouse or children, the benefit would be payable to the member.

### EFFECT OF DIVORCE

Divorce does not affect supplemental death coverage, except with regard to designated beneficiaries. Because divorce may nullify beneficiary designations in some states, a member should confirm and/or change beneficiary designations through Benefits Connect after the divorce. (Some states restrict changes in beneficiaries while divorce proceedings are pending.)

The Board will not accept or enforce an irrevocable beneficiary designation in a court order or otherwise. The Board will confirm whether the person named in a court order is the current designated beneficiary, but beneficiary information is confidential and the identity of the designated beneficiary, if not the person named in the court order, will not be released to anyone other than the member. Any coverage for a spouse terminates upon divorce.

# 5 Medical Plan

## EFFECT OF DIVORCE

Former spouses and their children, who usually are no longer considered eligible dependents under the Benefits Plan, may elect continuing medical coverage. The Board sends information about continuing medical coverage, including costs, to a former spouse as long as the Board is notified of a member's divorce within 60 days.

An exception to the rule regarding coverage of a former spouse's children may be made if the Board receives and approves a qualified medical child support order (QMCSO), requiring continued medical coverage for the child(ren). A QMCSO is a court judgment or decree that requires a health plan to provide coverage to children of a plan participant, pursuant to a state domestic relations law. Questions concerning QMCSOs should be directed to the Board by calling 800-773-7752 (800-PRESPLAN) and speaking to a service representative.

# 6 Dental Plan

## EFFECT OF DIVORCE

A former spouse and his or her children who were enrolled for dental coverage are not eligible to continue that coverage.

# 7 Appendices

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<b>Appendix I</b>	
Domestic Relations Order Checklist .....	12

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<b>Appendix II</b>	
Drafting Information for the Pension Plan .....	14

---

<b>Appendix III</b>	
Pension Plan Sample Domestic Relations Order .....	15

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<b>Appendix IV</b>	
Drafting Information for the Retirement Savings Plan ...	16

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<b>Appendix V</b>	
Retirement Savings Plan	
Sample Domestic Relations Order .....	17

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<b>Appendix VI</b>	
Related Board of Pensions Publications .....	18

# APPENDIX I

## Domestic Relations Order Checklist

The answer to each question must be “yes” for the Board of Pensions to accept the domestic relations order.

1. Is the agreement to share the benefits in the form of a domestic relations order?
2. Does the domestic relations order contain the
  - name;
  - Social Security number;
  - date of birth; and
  - last known mailing address of the Benefits Plan member?
3. Does the domestic relations order contain the
  - name;
  - Social Security number;
  - date of birth;
  - last known mailing address of each former spouse or dependent (alternate payee) covered by the order? (*Alternate payee* is defined as any spouse, former spouse, or child or other dependent.)
4. Does the domestic relations order contain the official name of the plans?
  - The Pension Plan of The Benefits Plan of the Presbyterian Church (U.S.A.)
  - The Retirement Savings Plan of the Presbyterian Church (U.S.A.)

5. Does the domestic relations order contain the proper name and address of the plan administrator?

The Board of Pensions  
of the Presbyterian Church (U.S.A.)  
2000 Market Street  
Philadelphia, PA 19103-3298

6. Is the order signed by both parties and a judge?
7. Was the order filed by a court of proper jurisdiction?
8. Does the order state the date of the parties’ marriage and the date of their separation or divorce?
9. Does the order create or recognize the rights of one or more alternate payees (other than the member) to receive all or part of the member’s benefits?
10. Are the benefits assigned?
  - For the Pension Plan, the assignable benefits are all or a portion of the retirement pension and survivor’s pension:
    - Does the order specify a percentage of the member’s monthly retirement pension to be paid by the plan to the alternate payee or the manner in which such percentage is to be determined?
    - Does the order specify how experience apportionments are to be divided?
    - Does the order specify whether the alternate payee is assigned a survivor’s pension benefit?



- For the Retirement Savings Plan, the assignable benefits are all or a portion of the member's account balance:
  - Does the order specify the dollar amount or percentage of the member's account balance to be paid by the plan to each alternate payee or the manner in which such dollar amount or percentage is to be determined?
  - Does the order specify the allocation of earnings and losses through the date of division?

11. Does the order provide benefits at a time or in a form that is available under the plan document?

- For the Pension Plan, note the following:
  - Benefits may be paid to an alternate payee before the initiation of benefits by the member, provided that the member has reached the earliest permissible retirement age (i.e., age 55) under the Pension Plan. The benefits payable to an alternate payee before the date the member reaches the plan's normal retirement age are reduced based on the member's age at the time payments begin to the alternate payee.
  - Benefits must begin no later than the date that the member initiates benefits.
  - The alternate payee may not name a beneficiary to receive benefits.

- If the member is already retired, the order may reinstate the alternate payee as the sole beneficiary of the survivor benefit under the joint survivor option with the former spouse elected by the member upon retirement. Otherwise, a former spouse may get only an assignment of all or a portion of the normal survivor's pension benefit. (See page 4 for more details.)

- Retirement pension benefits are payable in equal monthly installments over the life of the member; survivor's pension benefits are payable over the life of the alternate payee.

- No lump-sum settlements are allowed, unless they are small cashouts, as defined by the Benefits Plan.

- For the Retirement Savings Plan, note the following:

- Benefits may be paid to an alternate payee immediately upon final approval of the DRO.

- The alternate payee may name a beneficiary to receive undistributed amounts.

- The alternate payee may elect a lump-sum settlement or any other distribution option under the Retirement Savings Plan.

12. Does the order require the plan to provide only benefits that do not exceed the member's plan benefits?

13. Does the order refrain from affecting any benefits of a prior known DRO?

## APPENDIX II

### Drafting Information for the Pension Plan

*For domestic relations orders (DROs) for the Pension Plan of The Benefits Plan of the Presbyterian Church (U.S.A.)*

The Board of Pensions of the Presbyterian Church (U.S.A.) (the "Board") has the responsibility to approve domestic relations orders that pertain to The Benefits Plan of the Presbyterian Church (U.S.A.) (the "Plan"), including the Pension Plan component of the Plan.

The Board provides the sample domestic relations order in Appendix III for the convenience of the parties. It does not describe every method that could be used to divide a retirement benefit between a participant and an alternate payee. It may not be appropriate in every situation and therefore should not be used when not appropriate. Neither the Board nor its agents are responsible for determining whether use of the sample domestic relations order is appropriate for a specific situation, and the provision of the sample domestic relations order by the Board or its legal counsel shall not be considered legal advice.

The parties and their legal counsel may find the following information helpful when reviewing the sample domestic relations order.

Paragraph 7: The domestic relations order must define which of the pension credits that the member has accrued should be the subject of the order. A common approach is to divide the pension credits that were accrued during the marriage up to the date of separation or divorce.

Paragraph 9: If no specific assignment of the survivor's pension is made, no survivor's pension will be paid to the alternate payee and all benefits payable to the alternate payee will cease at the member's death, regardless of whether the alternate payee had already begun receiving retirement pension benefits at the time of the member's death. The survivor's pension under the Pension Plan's normal form of benefit is equal to 50% of the member's pension credits; thus, an award in Section 9 of the sample domestic relations order of a survivor's pension equal to the benefit payable on 100% of the pension credits accrued from date of marriage to date of separation or divorce will result in a monthly benefit equal to 50% of the credits accrued in that time period. An award of a

survivor's pension equal to the benefit payable on 50% of the pension credits accrued from date of marriage to date of separation or divorce will result in a monthly benefit equal to 25% of the credits accrued in that time period.

Example: An alternate payee is assigned a retirement pension benefit from the Pension Plan equal to 50% of the pension credits accrued from date of marriage to date of separation or divorce, for a total of \$500 a month. If the member predeceases the alternate payee, the alternate payee will receive a survivor's pension benefit of approximately \$500 a month if he or she was assigned a survivor's pension equal to the benefit payable on 100% of the pension credits accrued from date of marriage to date of separation or divorce; the alternate payee will receive a survivor's pension benefit of approximately \$250 a month if he or she was assigned a survivor's pension equal to the benefit payable on 50% of the pension credits accrued in that time period.

If the intent of the parties is to provide the alternate payee with the same benefit during and after the member's life, generally the alternate payee must be assigned a survivor's pension equal to the benefit payable on 100% of the pension credits accrued from date of marriage to date of separation or divorce.

If the member is already retired, the survivor's pension elected by the member is automatically canceled at divorce. The order must specify if the alternate payee is to be assigned a survivor's pension benefit. The alternate payee may be reinstated as the sole beneficiary of the survivor benefits under the joint and survivor option with the former spouse elected at retirement. Otherwise, a former spouse may get only an assignment of the normal survivor's pension benefit. (See page 4 for more details.)

Paragraph 10: The domestic relations order must specify how experience apportionments will be divided.

**Note:** A final domestic relations order must be signed by a judge, the member, and his or her former spouse. The signatures of the parties' attorneys are not required.

The sample domestic relations order is available by email upon request.

## APPENDIX III

### Pension Plan Sample Domestic Relations Order

The parties, come by their attorneys, and upon joint motion, respectfully request the Court to enter the following Domestic Relations Order relating to the division of the interests of [Member's Name] in the Pension Plan of The Benefits Plan of the Presbyterian Church (U.S.A.).

1. [Member's Name, Social Security Number and Date of Birth] (hereinafter referred to as "Member") is the [Plaintiff, Defendant, Petitioner, Respondent] in this matter and a Member of The Benefits Plan of the Presbyterian Church (U.S.A.). [His/Her] last known mailing address is \_\_\_\_\_.
2. [Alternate Payee's Name, Social Security Number and Date of Birth] (hereinafter referred to as "Alternate Payee") is the [Plaintiff, Defendant, Petitioner, Respondent] in this matter. [His/Her] last known mailing address is \_\_\_\_\_.
3. The Benefits Plan of the Presbyterian Church (U.S.A.) (hereinafter referred to as the "Benefits Plan") is a "church plan" as defined in Section 414(e) of the Internal Revenue Code of 1986 and in Title I of the Employee Retirement Income Security Act, as the same may be amended from time to time. The Benefits Plan includes a defined benefit pension program with retirement and survivor's pension benefits (the "Pension Plan").
4. The Benefits Plan is administered by The Board of Pensions of the Presbyterian Church (U.S.A.), 2000 Market Street, Philadelphia, PA 19103-3298.
5. The Benefits Plan provides, in Section 18.2, that an Alternate Payee may become entitled to receive a portion of the Member's retirement, and/or survivor's pension benefit pursuant to a domestic relations order issued by a court of competent jurisdiction.
6. The parties were married on [date of marriage] and [separated/divorced/dissolved marriage] on [date].
7. Marital Pension Credits. The Pension Plan pension credits that are subject to division under this Order (the "Marital Pension Credits") are the pension credits accrued under the Pension Plan from [date of marriage] to [date of separation/divorce/dissolution of marriage].
8. Division of Retirement Pension Benefit. The parties agree to divide the Member's accrued interest in the Pension Plan as follows: Alternate Payee is entitled to receive, and may be paid directly beginning the earliest allowable date, a monthly retirement pension equal to the retirement pension payable on [percentage] of the Marital Pension Credits (as defined in the paragraph 7).
9. Division of Survivor's Pension Benefit. Alternate Payee is entitled to receive, and may be paid directly upon the death of the Member, a monthly survivor's pension equal to the survivor's pension payable on [percentage] of the Marital Pension Credits (as defined in paragraph 7).
10. All benefits payable to the Alternate Payee shall be increased pro-rata to the extent that experience apportionments are granted on account of credits accrued by the Member in the Benefits Plan.
11. This Order is not intended to require the Benefits Plan to provide any type or form of benefits or any option not otherwise provided by the Benefits Plan, nor shall this Order require the Benefits Plan to provide for increased benefits not required by the Benefits Plan.
12. This Order does not require the Benefits Plan to provide benefits to the Alternate Payee that are required to be paid to another alternate payee under another order previously accepted by the Benefits Plan.
13. All benefits payable under the Benefits Plan other than those payable to the Alternate Payee shall be paid to the Member in such manner and form as [he/she] may elect in [his/her] sole and undivided discretion, subject only to Benefits Plan requirements.
14. While it is anticipated that the Board of Pensions will pay the assigned benefits directly to the Alternate Payee, Member is designated a constructive trustee to the extent [he/she] receives any retirement benefits under the Benefits Plan that are due to Alternate Payee but paid to Member.

Date	Judge
Date	Member
Date	Alternate Payee

## APPENDIX IV

### Drafting Information for the Retirement Savings Plan

*For domestic relations orders (DROs) for the Retirement Savings Plan of the Presbyterian Church (U.S.A.)*

The Board of Pensions of the Presbyterian Church (U.S.A.) (the “Board”) has the responsibility to approve domestic relations orders that pertain to the Retirement Savings Plan of the Presbyterian Church (U.S.A.).

The Board provides the sample domestic relations order in Appendix V for the convenience of the parties. It does not describe every method that could be used to divide a retirement benefit between a participant and an alternate payee. It may not be appropriate in every situation and therefore should not be used when not appropriate. Neither the Board, Fidelity Investments, nor their agents are responsible for determining whether use of the sample domestic relations order is appropriate for a specific situation, and the provision of the sample order by the Board or its legal counsel shall not be considered legal advice.

**Note:** A final domestic relations order must be signed by a judge, the participant, and the alternate payee. The signatures of the parties’ attorneys are not required.

The sample domestic relations order is available by email upon request.

# APPENDIX V

## Retirement Savings Plan Sample Domestic Relations Order

The parties, come by their attorneys, and upon joint motion, respectfully request the Court to enter the following Domestic Relations Order relating to the division of the interests of [Participant's Name] in the Retirement Savings Plan of the Presbyterian Church (U.S.A.).

1. [Participant's Name, Social Security Number and Date of Birth] (hereinafter referred to as "Participant") is the [Plaintiff, Defendant, Petitioner, Respondent] in this matter and a Participant in the Retirement Savings Plan of the Presbyterian Church (U.S.A.). [His/Her] last known mailing address is \_\_\_\_\_.

2. [Alternate Payee's Name, Social Security Number and Date of Birth] (hereinafter referred to as "Alternate Payee") is the [Plaintiff, Defendant, Petitioner, Respondent] in this matter. [His/Her] last known mailing address is \_\_\_\_\_.

3. The Retirement Savings Plan of the Presbyterian Church (U.S.A.) (hereinafter referred to as the "Retirement Savings Plan") is a 403(b)(9) defined contribution "church plan" sponsored by The Board of Pensions of the Presbyterian Church (U.S.A.), 2000 Market Street, Philadelphia, PA 19103-3298.

4. The Retirement Savings Plan provides, in Section 10.1, that an Alternate Payee may become entitled to receive a portion of the Participant's benefit pursuant to a domestic relations order issued by a court of competent jurisdiction.

5. The parties entered a marriage on [date of marriage] and [separated/divorced/dissolved marriage] on [date].

6. The parties agree to assign a portion of the Participant's interest in the Retirement Savings Plan to the Alternate Payee as follows:

(a) \$ \_\_\_\_\_ as of [date].

OR

(b) \_\_\_\_\_ % of the account balance as of [date].

7. The parties agree that all benefits payable to the Alternate Payee shall be increased or decreased by any investment gains or losses on the Alternate Payee's share of the account balance after the date specified in paragraph 6, [date].

8. This Order is not intended to require the Retirement Savings Plan to provide any type or form of benefits or any option not otherwise provided by the Retirement Savings Plan, nor shall this Order require the Retirement Savings Plan to provide for increased benefits not required by the Retirement Savings Plan.

9. This Order does not require the Retirement Savings Plan to provide benefits to the Alternate Payee that are required to be paid to another alternate payee under another order previously accepted by the Retirement Savings Plan.

10. All benefits payable under the Retirement Savings Plan other than those payable to the Alternate Payee shall be paid to the Participant in such manner and form as [he/she] may elect in [his/her] sole and undivided discretion, subject only to Retirement Savings Plan requirements.

11. While it is anticipated that the Board of Pensions will pay directly to the Alternate Payee the benefits awarded to [him/her], the Participant is designated a constructive trustee to the extent [he/she] receives any distributions from the Retirement Savings Plan that are due to the Alternate Payee but are paid to the Participant.

Date \_\_\_\_\_ Judge \_\_\_\_\_

Date \_\_\_\_\_ Participant \_\_\_\_\_

Date \_\_\_\_\_ Alternate Payee \_\_\_\_\_

## APPENDIX VI

### Related Board of Pensions Publications

Following is a list of Board of Pensions publications that might provide additional assistance to members and spouses. All can be accessed on [pensions.org](http://pensions.org), or by calling the Board at 800-773-7752 (800-PRESPLAN) and speaking with a service representative to request a copy.

*The Benefits Plan of the Presbyterian Church (U.S.A.)*

*Death Benefits*

*Disability Benefits*

*Guide to the Medicare Supplement Plan for Retired Members*

*Guide to Your Healthcare Benefits: For Active Medical Plan Members*

*Continuing Coverage at Termination of Eligible Service For Teaching Elders in Pastor's Participation*

*The Pension Plan*

*Retirement Savings Plan*





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