New Hampshire Retirement System
80 Commercial Street, Concord, NH 03301
Phone: (603) 410-3500 | Fax: (603) 410-3501
Website: www.nhrs.org | Email: info@nhrs.org

INSTRUCTIONS ONLY

DO NOT ATTEMPT TO COMPLETE OR SUBMIT THESE INSTRUCTIONS.

THESE ARE THE INSTRUCTIONS FOR THE TEMPLATE FORM OF A DRO THAT WILL BE ACCEPTED BY NHRS FOR PARTICIPANTS WHO HAVE RETIRED AS OF THE EFFECTIVE DATE OF THE DRO.

USE OF THIS FORM WILL ASSURE THAT THE BENEFIT CHOICES SELECTED ARE PERMISSIBLE BY NHRS.

MEMBERS AND RETIREES MAY SUBMIT CUSTOM DRAFTED FORMS OR MAY INCLUDE THE TERMS OF THE DRO IN THE DIVORCE DECREE AND/OR SETTLEMENT AGREEMENT. HOWEVER, NHRS RESERVES THE RIGHT TO REJECT ANY DRO THAT PROVIDES FOR A FORM OF BENEFIT NOT OTHERWISE AVAILABLE UNDER THE PLAN OR DOES NOT COMPLY WITH ADMINISTRATIVE PROCEDURES.

YOU MUST COMPLETE THIS TEMPLATE BY CHECKING THE BOXES AND/OR FILLING IN THE BLANKS. NHRS WILL NOT ACCEPT ANY MODIFICATIONS TO THE TEMPLATE. DO NOT ALTER THE WORDING OR DELETE ANY PROVISIONS. IF A PROVSION IS INAPPLICABLE, LEAVE IT BLANK.

FILLABLE FIELDS NOTED IN RED BELOW ARE ONLY AVAILABLE IN THE ACTUAL TEMPLATE.

THIS DRO MUST BE SIGNED OR STAMPED BY THE COURT AS BEING APPROVED, OR INCORPORATED BY REFERENCE IN THE DIVORCE DECREE OR SETTLEMENT AGREEMENT.

ENTER COURT NAME, CAPTION AND DOCKET INFORMATION HERE

DOMESTIC RELATIONS ORDER (DRO)
(POST-RETIREMENT)

PREAMBLE

It is the intent of this Court that the provisions of this Domestic Relations Order (DRO) operate as an effective assignment to the Alternate Payee (AP) of a share of the Plan Participant's interest in the Plan in accordance with Sections 401(a)(13)(B) and 414(p)(1)(B) of the Internal Revenue Code (IRC). This DRO is issued pursuant to the provisions of NH RSA 458 that relate to the division of marital property or any similar laws of another state.

Nothing contained in this DRO shall be construed to require the Plan to either (1) make any payments to the Alternate Payee unless this DRO is determined by the Plan to be a Qualified Domestic Relations Order (QDRO) as provided in IRC Section 414(p)(1)(A); (2) provide to the Alternate Payee any type or form of benefit that is not otherwise available to the Participant under the Plan; or (3) pay any benefits to the Alternate Payee that are required to be paid to any person pursuant to another legally valid QDRO that takes precedence over this DRO.

1. Plan. This DRO shall apply to the New Hampshire Retirement System. The Plan Administrator is the New Hampshire Retirement System, 80 Commercial Street, Concord, NH 03301.

2. Plan Participant.

   Name: Fillable Field

   Address: Fillable Field

3. Alternate Payee.

   Name: Fillable Field

   Address: Fillable Field

4. Marital Period. Start Date: Fillable Field End Date: Fillable Field

The marital period begins on the date of the marriage and ends on the date agreed upon by the parties and approved by the Court, (e.g., date divorce proceedings initiated, date of final divorce, etc.).

5. Alternate Payee's Interest. The Alternate Payee is assigned a monthly annuity benefit in either of the two options below:

a. Percentage Interest.

i. Regular Annuity. A portion of the monthly annuity benefit otherwise payable to the Participant in an amount equal to the percentage designated below.

Alternate Payee's Percentage Interest: Fillable Field %

Enter 0% if the Alternate Payee is not entitled to any interest during the Participant's lifetime.

The following calculation formula shall apply in determining the Alternate Payee's benefit amount based on the percentage stated above (Check one):

☐ No Formula (a percentage determined regardless of marital period)

☐ NHRS Formula (a percentage determined based on the marital period excluding future benefit accruals)

☐ Hodgins Formula (a percentage determined based on the marital period including future benefit accruals)

A description of how these formulas differ is located at the end of these instructions.

ii. Additional Annuity. The Alternate Payee is also entitled to receive the following percentage of any Additional Annuity payable to the Participant: Fillable Field %

Additional Annuities are a separate benefit from the member's regular monthly pension annuity. They are not common. Prior to 2004, members could elect to pay Additional Contributions to fund an Additional Annuity up to certain limits [See former RSA 100-A:16,I(c)]. Because Additional Annuities are calculated based on the amount of Additional Contributions made, and are not based on service credit earned, NHRS will only accept a flat percentage allocation and will not accept an award to the AP based on the marital period (i.e., the NHRS Formula or the Hodgins Formula, noted above in Section 5.a.i.)

b. Fixed Amount. A monthly amount equal to: $ Fillable Field

The Fixed Amount shall be paid for the following period of time (Check one):

☐ Participant's Life

☐ Fixed Term

a. Length of Fixed Term: Fillable Field Months

b. Maximum Cumulative Fixed Amount: $ Fillable Field

The Maximum Cumulative Fixed Amount is the monthly amount times the number of months in the Fixed Term. See Section 7 below.

6. Timing of Payments. Any monthly benefits payable to the Alternate Payee shall be made commencing with the first monthly benefit payment after the Plan qualifies this Order as a QDRO. Payments to the AP shall only be made if the Participant is entitled to receive a monthly benefit.

7. Survivor Annuity Benefits (Choose one).

☐ The Alternate Payee is entitled to receive any optional allowance that was selected at the time of retirement pursuant to RSA 100-A:13. The optional option allowance ☐ **may** or ☐ **may not** be terminated upon the remarriage of the Alternate Payee.

☐ The Alternate Payee hereby renounces all rights to any optional allowance that was selected at the time of retirement.

For Section 8, Participants and Retirees are encouraged to review and revise any beneficiary designation forms on file with NHRS to assure compliance with these QDRO provisions.

8. Distribution of Accumulated Contributions on Death of the Participant After Retirement. If the Participant dies after commencement of benefits and there are remaining Accumulated Contributions payable in a lump sum distribution pursuant to RSA 100-A:11, the Alternate Payee is entitled to the following portion of such lump sum distribution (Check one):

☐ A percentage interest based on the percentage designated in Section 5.a. above taking into account the formula selected.

☐ A fixed amount equal to the lesser of such remaining contributions or an amount equal to the Maximum Fixed Amount Payable minus the cumulative fixed amounts paid, each as provided in Section 5.b. above.

9. Cost of Living Increase (COLA). The Alternate Payee ☐ **shall** or ☐ **shall not** be entitled to receive a pro rata share in any COLA payable by the Plan to the Participant based on the Alternate Payee's percentage benefit as specified herein in Section 5.a., it being understood that, if a Fixed Amount is specified pursuant to Section 5.b., then no amount of any COLA will be payable to the Alternate Payee.

10. Acknowledgement. The parties acknowledge that any monthly annuity benefit to which the Alternate Payee is entitled that is expressed as a percentage of the benefit the Participant is

otherwise entitled to, or any survivor benefit with respect thereto, shall be determined based upon the benefit calculations as provided under RSA 100-A, *et. seq.,* taking into account any reductions thereto, including but not limited to, (a) early retirement benefits under RSA 100-A:5; (b) restoration of service under RSA 100-A:7, I; (c) offsets relating to limits on working after retirement under RSA 100-A:7, II; (d) offsets relating to the gainful occupation provisions under RSA 100-A:6, III(b)(1); (e) offsets relating to worker's compensation benefits under RSA 100-A:6; or, (f) any application of the split-benefits rules under RSA 100-A:19. In the case of any Fixed Amount payable under Section 5.b. above, in no event shall the Alternate Payee be entitled to an amount in excess of the maximum benefit payable taking into account any reductions described in the previous sentence.

Dated this _____ day of _____ , 20 ____ .

_____ _____

Participant's Signature Alternate Payee's Signature

Write "No Attorney," if applicable.

_____ _____

Attorney for Participant, if applicable Attorney for Alternate Payee, if applicable

_____ _____

Attorney's Address Attorney's Address

IMPORTANT: This QDRO must be approved by the Court in the manner consistent with the Court's general practice such as by signature, stamp, or incorporation by specific reference in the divorce decree or settlement agreement (i.e., "as provided in the QDRO executed by the parties hereto dated XX/XX/XXXX").

PLEASE ADD ADDITONAL SIGNATURE LINES HERE AS APPROPRIATE.

No Formula

If no formula is selected, the AP will receive a percentage of the monthly annuity as specified in Section 5.A.i. without taking into account the marital period.

Example: Group II Member with 20 years of service and $80,000 AFC at retirement

Benefit: 20 years X 2.5% X $80,000 AFC = $40,000 annually; $3,333,33 monthly

Alternate Payee's Percentage per QDRO = 50%
Alternate Payees monthly benefit = $3,333.33 X 50% = $1,666.67

NHRS Formula

Under the NHRS formula, the Alternate Payee's benefit amount is determined at the time of the divorce based on the benefit that accrued during the marital period only and does not account for any future increase in compensation or additional service credit earned after the marital period. The amount payable to the Alternate Payee is fixed at the end of the marital period and cannot increase for any reason.

Example: Group II member, 10 year marital period, $40,000 AFC in marital period

Benefit Accrued in Marital Period: 10 X $40,000 X 2.5% = $10,000 annual benefit and $833.34 monthly benefit.

Alternate Payee's Percentage per QDRO = 50%
Alternate Payees monthly benefit = $416.67

Hodgins Formula

Under the Hodgins formula, the Alternate Payee's benefit amount is determined at the time of retirement and takes into account compensation paid and service credit earned after the end of the marital period.

Example: Group II member, 10-year marital period, 20 years of total service credit, $80,000 AFC at retirement

Benefit: 20 X $80,000 X 2.5% = $40,000 annual benefit and $3,333.34 monthly benefit

Alternate Payee's Percentage per QDRO = 50%
Alternate Payees Monthly Benefit

$$\$3{,}333.34 \times \frac{\text{10 yrs of service in marital period}}{\text{20 yrs of total service}} \times 50\% = \$833.34$$