

**The
Qualified Illinois Domestic Relations Order**



QILDROs, SURS BENEFITS, AND DIVORCE

**March 21, 2018
(incorporating law changes through P.A. 94-0657)**

**Information contained in this publication is subject to change in response to
pending Administrative Rules.**

**State Universities Retirement System of Illinois
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TABLE OF CONTENTS

| | |
|---|----|
| FOREWARD..... | 3 |
| TIMELINE OF EVENTS..... | 4 |
| SURS RETIREMENT BENEFITS AND DIVORCE | 5 |
| Division of Benefits..... | 5 |
| Benefits Affected By a QILDRO..... | 6 |
| Benefits Not Affected By a QILDRO..... | 7 |
| Who May Be an Alternate Payee..... | 7 |
| Providing Information About a Member’s Retirement Benefits | 7 |
| QILDRO and the Self-Managed Plan | 7 |
| PROCEDURE FOR FILING A QILDRO WITH SURS..... | 8 |
| Use of SURS-Adopted Forms | 8 |
| The QILDRO – The Initial Order..... | 8 |
| The Calculation Court Order | 9 |
| QILDRO and QILDRO Calculation Court Order Comparison Chart..... | 9 |
| Requirements for a Valid QILDRO and QILDRO Calculation Court Order..... | 11 |
| Effect of a Valid QILDRO | 12 |
| CURRENT ADDRESS OF ALTERNATE PAYEE | 13 |
| AMOUNT PAYABLE TO ALTERNATE PAYEE..... | 13 |
| Division of Automatic Annual Increase..... | 14 |
| Application for Benefit By Alternate Payee | 15 |
| Member’s Election of Form of Payment..... | 15 |
| Modified QILDROs..... | 15 |
| Expiration of a QILDRO | 16 |
| Income Tax Reporting | 16 |
| Information About SURS | 17 |
| GLOSSARY | 18 |
| CONSENT TO ISSUANCE OF QILDRO..... | 19 |
| QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDER | 20 |
| QILDRO CALCULATION COURT ORDER | 26 |

FOREWARD

The following information is designed to assist members when their retirement benefits are being considered for possible division in divorce proceedings. The Benefit Services Department of the State Universities Retirement System (SURS) handles inquiries and benefit information requests for divorce purposes. The Legal Department will accept Qualified Illinois Domestic Relations Orders, or “QILDROs” entered against SURS members. A QILDRO is an Illinois court order that transfers part or all of a member’s retirement benefits to an alternate payee.

Much of the information provided is based on the express statutory language and requirements imposed upon Illinois public retirement systems by the QILDRO statute. This legislation, with an original effective date of July 1, 1999, amended the Illinois Pension Code by adding new section 1-119, 40 ILCS 5/1-119, and by modifying portions of the Illinois Marriage and Dissolution of Marriage Act, 750 ILCS 5/503. The QILDRO law was amended in 2003 with respect to SURS’ Self-Managed Plan by P.A. 93-347. The QILDRO law was amended again in 2005 by P.A. 94-0657.

This subject matter may be of considerable financial significance. It is strongly recommended that the member obtain the assistance of competent legal and/or other expert assistance. This information is provided with the understanding that SURS is not rendering legal, financial, or other professional advice. SURS does not assume responsibility for the specific consequences resulting from application of the information in this packet to a particular member or alternate payee.

Inquiries concerning a QILDRO may be directed to a SURS Member Service Representative at (800)275-7877. A copy of this document along with the QILDRO forms in PDF are available at www.surs.org.

TIMELINE OF EVENTS

The following timeline of events should be observed when SURS benefits are being considered in divorce proceedings.

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| 2-3 months before court date | Download QILDRO Brochure from SURS website at www.surs.org , or request a packet by phone at (800)275-7877. |
| 60 days before court date | Submit request for benefit information for divorce via member's telephone call, member's written authorization in conjunction with attorney's request, or a subpoena. |
| Within 45 days after SURS receives above request | SURS sends a <i>Benefit Information for Divorce</i> packet which includes accumulated contributions, estimated retirement annuity payable on date of unreduced eligibility, separation refund estimate, partial refund estimate, and death benefit estimate. In providing this information, the System will only use current information through the date of the request or as soon as administratively possible. Projected future earnings and service will not be included. |
| Court date | Illinois court may, in its discretion, enter a QILDRO. Obtain a certified copy of QILDRO from Clerk of Court. |
| Immediately following court date | Send certified copy of the QILDRO to the SURS Legal Department, accompanied by a nonrefundable \$50 processing fee by check payable to the State Universities Retirement System. NOTE: If the QILDRO applies to a person who became a SURS member prior to July 1, 1999, the QILDRO must be accompanied by the member's original (or a certified copy of) written Consent to Issuance of QILDRO. |
| Within 45 days after receipt of QILDRO | <p>SURS notifies member and alternate payee by 1st class mail that (1) the court order was received; (2) whether the court order is a valid QILDRO; and (3) if not a valid QILDRO, the reason(s) why it is invalid.</p> <p>If allocation is on a dollar amount basis and member is not retired, QILDRO is placed in file. A QILDRO Calculation Court Order is not required for future payment of a QILDRO specified in a dollar amount. See Receipt of Payment on next page.</p> <p>If member is retired, see Receipt of Payment on next page.</p> <p>If allocation of benefits is on a percentage basis and member has retired, SURS will provide within 45 days the following information: retirement effective date, permissive and regular service credit, gross amount of annuity (identify amount based on regular service and permissive service), gross amount of contribution refund, partial contribution refund, and gross amount of death benefits. SURS will advise of the need for a QILDRO Calculation Court Order.</p> |

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| Within 45 days after receipt of QILDRO...continued. | <p>If allocation of benefits is on a percentage basis and member has not retired, SURS will provide initial membership dates, permissive and regular service from membership date to present, providing the dates used, estimate of monthly annuity, estimate of contribution refund, estimate of partial contribution refund, and estimate of death benefit amount. The calculation date of these estimates will also be provided.</p> <p>If member is in the Self-Managed Plan, and allocation is on a percentage basis, then within 45 days of receipt of the QILDRO including such allocation, and a date that the account balance transfer percentage will apply, SURS will obtain an account balance on that specified date and provide it to both parties, or one designated representative of each.</p> |
| <u>QILDRO Calculation Court Order</u> When member is not retired and SURS receives member's retirement application, application for separation refund, or notice of member's death. | Within 45 days of SURS receiving all information necessary to determine the benefits payable, SURS will provide the effective date of retirement, permissive and regular service, gross amount of annuity identified by permissive and regular service, gross amount of separation refund, gross amount of partial refund, and gross amount of death benefits. The System will advise of the need for a QILDRO Calculation Court Order. A QILDRO Calculation Court Order is required for benefits allocated to an alternate payee by using a percentage of the gross benefit or a percentage of the marital period. |
| Within 45 days after Receipt of QILDRO Calculation Court Order | The System will acknowledge receipt and notify if order is valid. The System will notify the member and the alternate payee (or one representative of each) if the Calculation Court Order is not valid or is unclear. |
| Receipt of payments | Alternate payee receives the first payment at the time of the first payment to the member occurring at least 30 days after SURS received the valid QILDRO. In the case of a percentage, where a Calculation Court Order is required – payment would occur as soon as administratively possible after a valid Calculation Court Order is received. In cases where a QILDRO and Calculation Court Order are submitted simultaneously, payment would occur with the first payment occurring at least 30 days after SURS received the valid documents. In the case of a lump sum benefit payable to an alternate payee of a participant in the Self-Managed Plan, the benefit shall be paid upon the alternate payee's proper request to the investment provider. |

SURS RETIREMENT BENEFITS AND DIVORCE

Division of Benefits

In marital dissolution proceedings, a common issue is the manner and extent to which a person's retirement benefits may be divided between the pension holder and his or her former spouse. Benefits provided by the State Universities Retirement System of Illinois (SURS) are not subject to Qualified Domestic Relations Orders (QDROs). Under state law, SURS benefits may not be paid to anyone other than the member, except to an alternate payee pursuant to a valid Qualified Illinois Domestic Relations Order, commonly referred to as a "QILDRO". SURS began accepting

QILDROs received on and after July 1, 1999. Unless there is a QILDRO, SURS will pay retirement benefits to the member. It is the member's obligation to honor a divorce decree directing payment to an ex-spouse.

In 1998, the Illinois legislature passed what is known as the QILDRO legislation. This legislation, with an effective date of July 1, 1999, amended the Illinois Pension Code by adding a new Section, 40 ILCS 5/1-119, and by modifying portions of the Illinois Marriage and Dissolution of Marriage Act, 750 ILCS 5/503.

In 2005, a revised QILDRO law was passed with an effective date of July 1, 2006. The new law expands the QILDRO to apply to death benefits. The law defines regular and permissive service credit, allows for division of benefits on a percentage basis and provides for a QILDRO Calculation Court Order for that purpose. The law is very specific regarding what information is to be provided by the Retirement System and when it must be provided. The law further states the responsibilities of the member, alternate payee, and their representatives regarding the calculation of benefits, allocation methods and filing requirements.

The QILDRO legislation does not change the law that determines an appropriate division of marital assets. A member should consult his or her divorce lawyer about what assets are included in the couple's marital property, and about the division of those assets. SURS cannot give legal advice about the proper division of retirement benefits or perform actuarial or marital period calculations.

Benefits Affected By a QILDRO

Monthly retirement benefits, lump sum retirement benefits. An alternate payee may receive all or a portion of a member's monthly retirement benefit or lump sum retirement benefit. In the case of members participating in SURS' Self-Managed Plan, an alternate payee may receive all or a portion of the member's vested account balance upon proper request by the alternate payee.

Refunds. An alternate payee may receive all or a portion of a member's refund. The types of refunds that may be subject to a QILDRO are:

- A termination refund;
- A refund of survivor benefit contributions;
- A refund of excess contributions; and
- A refund relating to excess service.

Death Benefits. An alternate payee may receive all or a portion of a member's death benefit. A death benefit means any non-periodic benefit payable upon the death of a member to a survivor of the member or to a member's estate or designated beneficiary(ies), including any refund of contributions following the member's death, whether or not the benefit is so called under the applicable article of the Pension Code.

The QILDRO form has separate blanks that may be filled in for two types of refunds: (1) termination refunds and (2) partial refunds. If there is an amount filled in for partial refunds, the total amount the alternate payee will receive from all partial refunds will not exceed the dollar amount specified.

Benefits Not Affected By a QILDRO

The QILDRO law does not apply to monthly survivor benefits, disability benefits (including a disability retirement allowance), or health insurance benefits. A QILDRO that says it applies to any of these benefits is invalid in its entirety.

Who May Be an Alternate Payee

An alternate payee may be a current spouse, former spouse, child, or other dependent of a SURS member. Anyone who does not fit one of these categories cannot be designated as an alternate payee.

Providing Information About a Member's Retirement Benefits

A divorcing member may be required by law to provide other parties and the court with information regarding the value of his or her retirement benefits. The SURS *Personal Benefits Summary Statement* covering the previous academic year, September 1 through August 31, provides information concerning the member's service credit, contributions, and beneficiaries. The Personal Benefits Summary Statement may provide sufficient information for divorce purposes.

If benefit information is desired specifically for divorce purposes, the System will provide a more detailed statement regarding the value of a member's retirement benefits. The customized statement is based on the member's SURS service credit and earnings history and includes an explanation of terms and general information. For active members, the information includes a monthly or single-sum retirement annuity estimate, assuming retirement at the minimum age at which the member would be eligible to receive a non-discounted benefit. Benefit information for divorce will be provided in response to a subpoena, a member's request, or the member's written authorization to release the information. SURS will provide benefit information for divorce within 45 days of receiving the request or subpoena.

SURS does not provide actuarial opinions as to the present market values of a member's benefits or other interests. SURS does not assume future events such as additional service credit, future salary, or salary increases. SURS will assume future interest at the lesser of the current effective rate of interest or the current prescribed rate of interest. SURS does not provide information isolated as to the marital period only. The information provided reflects the facts of the member's actual SURS service credit and contribution history based on the data on file with SURS at the time the information is requested.

QILDRO and the Self-Managed Plan

The State Universities Retirement System's Self-Managed Plan is a defined contribution plan. When a QILDRO is filed on a member participating in the Self-Managed Plan, the member's vested account balance can be divided upon filing of the Order. If it is the intent of the parties to transfer a portion of the member's vested account balance at the time the Order is filed, paragraph (V) (A) should be completed. If a dollar amount is specified (paragraph (V)(A)(1), the subsequent

Calculation Court Order is not required. If, however, the transfer of assets is specified through a percentage of the entire balance or a percentage of the marital period formula, the Calculation Court Order is required.

For participants of the Self-Managed Plan, dividing the assets immediately through the account balance transfer described above is the simplest way to go. If, however, the parties wish to divide a portion of future benefits, such as retirement or death benefit, payment will not take place until the member accepts a lump sum retirement benefit, converts those monies to a retirement annuity through one of the approved providers, or dies.

PROCEDURE FOR FILING A QILDRO WITH SURS

Use of SURS-Adopted Forms

SURS, along with other Illinois public retirement systems, has adopted the QILDRO form contained in the most recent law to be used when a QILDRO applies to a SURS member. A QILDRO Calculation Order is used in conjunction with the QILDRO to specify the division of benefits. A sample of the required QILDRO form and QILDRO Calculation Order form and instructions for completing the forms are contained in this packet. **SURS will only accept a QILDRO or Calculation Order that are in the form adopted by SURS.** In order to ensure that the correct forms are used, please visit our website at www.surs.org, or photocopy the forms provided in this brochure. Any alterations made to the form will invalidate the order.

Please keep in mind that members in the State Universities Retirement System have the option of participating in three different retirement plans, the Traditional Plan, the Portable Plan, and the Self-Managed Plan. The Traditional and Portable plans are defined benefit plans. The Self-Managed Plan is a defined contribution plan. It is important that you are aware of which plan you participate in, and that you are familiar with the plan, before completing the QILDRO.

If SURS membership began before July 1, 1999, the member must sign and submit a Consent to Issuance of QILDRO form before SURS may honor a QILDRO entered against that member. Article XIII, Section 5, of the Illinois Constitution prevents SURS from honoring a QILDRO against a pre-July 1, 1999, member unless accompanied by the required consent form.

The consent form is required even if the court entered a QILDRO against that member. Once signed and submitted to SURS, the consent form is irrevocable.

SURS, along with other Illinois public retirement systems, has adopted a Consent to Issuance of QILDRO form to be used when a QILDRO applies to a pre-July 1, 1999, member. A sample of the Consent to Issuance of QILDRO form is contained in this packet. **SURS can only accept a Consent in the form adopted by SURS.**

The QILDRO – The Initial Order

The glossary of this brochure contains the statute definition of Qualified Illinois Domestic Relations Order, or QILDRO. The QILDRO is the first court order filed with the retirement system. A sample QILDRO is included in this brochure on page 20. The initial QILDRO's primary role is that of a "placeholder". The QILDRO names the alternate payee and provides contact information

for that person. The QILDRO also establishes what benefits will be allocated to the alternate payee, and in what manner those benefits will be allocated. If the QILDRO allocates benefits to the alternate payee using a flat dollar amount, no further Order (Calculation Order) is required.

The Calculation Court Order

The glossary of this brochure contains the statute definition of QILDRO Calculation Court Order. A sample Calculation Court Order is included in this brochure on page 26. If the QILDRO indicates that benefits payable to the alternate payee are to be calculated using a percentage of the gross benefit, or a percentage of the marital period, then a Calculation Court Order is required. The Calculation Court Order provides the specific amounts of the retirement benefit, refund, partial refund, and death benefits payable to the alternate payee. The Calculation Court Order must be completed in accordance with the underlying QILDRO. Be sure to keep a copy of the QILDRO for later use in completing the Calculation Court Order. In addition, the Comparison Chart on the next page should be of help.

QILDRO and QILDRO Calculation Court Order Comparison Chart

Before entering the Orders, the following decisions need to be made by the member, the alternate payee, and their legal representatives:

- 1) Which benefits will be divided?
 - a) retirement annuity
 - b) refund
 - c) partial refund
 - d) death benefits
- 2) When will the allocation begin?
- 3) When will the allocation end?
- 4) Will the alternate payee share in post retirement increases?
- 5) Will the allocation of benefits be on a flat dollar amount basis, percentage of marital portion basis, or percentage of gross benefit basis at commencement of benefits?

Once the answers to these questions are known, the QILDRO, QILDRO Calculation Court Order may need to be completed, approved by the Court, and filed with SURS.

The chart of the following page is designed to assist with the completion of various forms and Sections. Keep in mind that the QILDRO Calculation Court Order must not be completed in a manner that changes the intent of the QILDRO to which it relates.

Guidelines for Completing the Traditional or Portable QILDRO and the QILDRO Calculation Court Order

| QILDRO Section Description | | Parties Must Complete QILDRO Section IX | QILDRO Calculation Court Order |
|---|---------------------------------|---|--------------------------------|
| Alternate Payee | III A. 1. (\$ amt) | No | No |
| Retirement Annuity | III A. 2. (% - marital portion) | Required | 3(a) Required |
| | III A. 3. (% - gross benefit) | No | 4(a) Required |
| Alternate Payee | III B. 1 | | |
| Start Date | III B.2 | | |
| | III C. | | |
| Alternate Payee | III D. 1 | | |
| Stop Date | III D. 2 | | |
| Alternate Payee Post Retirement Increases | IV | | |
| Alternate Payee Refund | V A. 1(\$ amt) | No | No |
| (SMP Accout Balance Transfer) | V A. 2 (% - marital portion) | Required | 3(b) Required |
| | V A. 3 (% - gross benefit) | No | 4(b) Required |
| Alternate Payee Partial Refund | VI A. 1 (\$ amt) | No | No |
| | VI A. 2 (% - marital portion) | Required | 3(c) Required |
| | VI A. 3 (% - gross benefit) | No | 4(c) Required |
| Alternate Payee Death Benefit | VII A. 1 (\$ amt) | No | No |
| | VII A. 2 (% - marital portion) | Required | 3(d) Required |
| | VII A. 3 (% - gross benefit) | No | 4(d) Required |

Filing the QILDRO / QILDRO Calculation Court Order with SURS

SURS will begin accepting QILDROs contained in this document (as amended through Public Act 94-0657) on or after July 1, 2006. QILDROs submitted in this format prior to July 1, 2006, will be returned to the sender and may be resubmitted after July 1, 2006.

Where to Send QILDRO. QILDROs should be sent to the Legal Department:

State Universities Retirement System
Attn: Legal Department
1901 Fox Drive
P.O. Box 2710
Champaign, Illinois 61825-2710

The order will be deemed received on the date SURS receives it.

\$50 Processing Fee. Each QILDRO and/or QILDRO Calculation Court Order must be accompanied by a \$50 processing fee payable to the State Universities Retirement System (checks only, please.) A separate \$50 payment is required each time a new or modified QILDRO and/or QILDRO Calculation Court Order is submitted to SURS. If the QILDRO and the QILDRO Calculation Court Order are filed at the same time, only one \$50 fee is required.

Notice. Within 45 days after the Legal Department receives the court order, SURS will notify the member and each alternate payee by first class mail that it has received the order and whether it is a valid QILDRO and/or QILDRO Calculation Court Order. If SURS determines that the order is not a valid QILDRO and/or QILDRO Calculation Court Order, the notice will specify the reason or reasons.

Requirements for a Valid QILDRO and QILDRO Calculation Court Order

For a court order to be a valid QILDRO, it must satisfy **all** of the following criteria:

- The order must be accompanied by a \$50 processing fee, payable to the State Universities Retirement System.
- If the order applies to a person who became a SURS member before July 1, 1999, it must be accompanied by the original *Consent to Issuance of QILDRO* form signed by the member.
- The order must be a certified copy of the original.
- The order must have been issued by an Illinois court of competent jurisdiction in a proceeding for declaration of invalidity of marriage, legal separation, or dissolution of marriage that provides for the distribution of property, or any proceeding to amend or enforce such a property distribution.
- The order must contain the name, residence address, and social security number of the member.
- The order must contain the name, residence address, and social security number of the alternate payee.
- The order must identify the State Universities Retirement System as the retirement system to which it is directed.
- The order must identify the court that issued it.
- The manner in which benefits should be paid to an alternate payee must be clearly identified in the Order. Paragraphs III, IV, V, VI, VII, and VIII require that one calculation method be chosen. If any benefits are to be paid under the Marital Portion Benefit Calculation, paragraph IX must also be completed.

- The order must apply only to benefits that are statutorily subject to QILDROs. (See Benefits Affected By a QILDRO, page 6)
- The order must be in the form adopted by SURS. Any alterations to the form will invalidate the order.
- The effective date of the order must be on or after July 1, 1999. QILDROs entered using the original QILDRO form must be submitted to the System before July 1, 2006. QILDROs submitted to the System on or after July 1, 2006, must be in the format adopted under Public Act 94-0657 effective July 1, 2006 (the format included in this brochure).

In cases where SURS has deemed the Order invalid or incomplete, it may be necessary for the parties to obtain a new Order from the appropriate court. SURS will review the new order once it has been submitted to determine whether it meets all requirements. The new Order must be accompanied by a \$50 filing fee.

Effect of a Valid QILDRO

Once SURS has determined that a QILDRO is valid, one of the three following scenarios will occur:

1. If the member is not retired, and if the QILDRO provides for allocation on a dollar amount basis, the QILDRO will be placed in the member's file and the QILDRO will be implemented when the first affected benefit payment commences. If allocation of benefits is on a percentage basis and member is not retired, the System will provide initial membership dates, permissive and regular service from membership date to present, providing the dates used, estimate of monthly annuity, estimate of contribution refund, estimate of partial contribution refund, and estimate of death benefit amount. The calculation date of these estimates will also be provided. When the member applies for retirement benefits in the future, within 45 days of the System receiving all information necessary to determine the benefits payable, the System will provide the effective date of retirement, permissive and regular service, gross amount of annuity identified by permissive and regular credit, gross amount of contribution refund and partial contribution refund, and gross amount of the death benefit. The System will advise of the need for a QILDRO Calculation Court Order.
2. If the member is retired, and if the QILDRO provides for allocation on a dollar amount basis, Payment to the alternate payee will begin with the first payment occurring at least 30 days after the QILDRO was received by SURS. If allocation of benefits is on a percentage basis and the member is retired, the System will provide retirement effective date, benefit commencement date, permissive and regular service credit, gross amount of annuity (identify amount based on regular and permissive credit), gross amount of contribution refund, partial contribution refund, and gross amount of death benefit. The System will advise of the need for a QILDRO Calculation Court Order and that payment to the Alternate payee will begin with the payment occurring at least 30 days after the QILDRO Calculation Court Order is received by the System. Beginning with the first payment that the alternate payee is entitled to, SURS will withhold an estimated QILDRO amount from the member's retirement annuity. The System will continue to hold these funds until the QILDRO Calculation Court Order is received. Once received, SURS may need to adjust the amounts payable to the member and the alternate payee in accordance with the Calculation Court

Order. The funds held for the Alternate Payee will not be released without a valid Calculation Court Order.

3. If a member has applied for a refund or the beneficiary on file has applied for a death benefit which has not yet been vouchered when SURS receives a QILDRO and/or QILDRO Calculation Court Order that applies to the refund or death benefit, SURS will hold the benefits payable until the court clarifies whether the QILDRO and/or QILDRO Calculation Court Order applies to the pending refund or death benefit payment. It is the member's or beneficiary(ies) responsibility to obtain clarification from the court. If the refund or death benefit payment has already been "vouchered," it will be paid to the member or beneficiary(ies). "Vouchered" in this context means that the check has been processed and printed.
4. If a QILDRO is received for an alternate payee under the Self-Managed Plan, and the QILDRO provides for transfer of a portion of the member's vested account balance on a dollar amount basis, the division of the member account will be processed by SURS upon receipt of the QILDRO (on a pro rata basis from the investments of the member) and payment may be made at any subsequent time upon proper request of the alternate payee. If the QILDRO provides for an allocation on a percentage basis and estimates are required, the parties must obtain specific account information from the member's Self-Managed Plan provider. SURS only maintains specific investment account information for each quarter-end. Any redemption or other fees charged by the investment provider as a result of a distribution are the responsibility of the member or alternate payee.

CURRENT ADDRESS OF ALTERNATE PAYEE

Each alternate payee is responsible for maintaining a current mailing address on file with SURS. The law states that the retirement system shall have no duty to attempt to locate any alternate payee by any means other than sending written notice to the last known address of the alternate payee on file with the system. SURS must have the alternate payee's current address in order for the alternate payee to receive payment.

In the event that SURS cannot locate an alternate payee when a retirement, refund, partial refund or death benefit becomes payable, the system shall hold the amount of the benefit payable to the alternate payee and make payment to the alternate payee if he or she is located within the following 180 days. If the alternate payee has not been located within 180 days from the date the benefit becomes payable, the system shall pay the benefit and the amounts held to the regular payee. If the alternate payee is subsequently located, the system shall thereupon implement the QILDRO, but the interest of the alternate payee and any amounts already paid to the regular payee shall be extinguished. Amounts held under this subsection shall not bear interest.

AMOUNT PAYABLE TO ALTERNATE PAYEE

An alternate payee's rights are no greater than the member's rights. An alternate payee is only eligible to receive payment if and when the member becomes eligible to receive the benefit or refund. A QILDRO cannot order payment to an alternate payee that would not otherwise have been

payable to the member.

A QILDRO / QILDRO Calculation Court Order must specify the dollar amount or percentage payable to the alternate payee. Two options are available when allocating a percentage based benefit, one is a percentage of the gross benefit, and the other is a percentage of the marital portion. If the marital portion calculation is used, the calculation must be performed by the member, the alternate payee, or a designated representative. SURS cannot perform the calculations or verify that the calculations agree with the divorce agreement.

If the amount payable to an alternate payee exceeds the actual amount of the benefit payable to the member, the excess must be disregarded. If there are multiple QILDROs against a member, SURS will honor all of the QILDROs to the extent possible. If the total amount payable to all alternate payees exceeds the actual amount of the benefit, the QILDROs will be satisfied in the order that SURS received them. Amounts payable to multiple alternate payees will not be adjusted pro rata. Amounts that cannot be paid because the benefit is not large enough to cover all amounts payable must be disregarded. SURS is not responsible to an alternate payee or any other person for amounts that remain unpaid because the benefit is not large enough.

If the member received an overpayment or owes SURS any other amount, the amount owed will be deducted from the benefit before the alternate payee is paid. In some instances, a benefit may be subject to a preexisting tax lien or withholding order. If the benefit is not large enough to pay the amount due an alternate payee under the QILDRO plus the amount due under the tax lien or withholding order, SURS will notify the member and the alternate payee. SURS will continue to deduct the amount due under the tax lien or withholding order ahead of the amount due the alternate payee, unless SURS receives different instructions from a court with jurisdiction. It is the member's or alternate payee's responsibility to obtain clarification from such a court if the QILDRO should take priority ahead of an existing tax lien or withholding order.

If a benefit subject to a QILDRO subsequently becomes subject to a tax lien or withholding order, the amount due will be deducted from the portion of the benefit payable to the person subject to the tax lien or withholding order. The remainder of the benefit will be payable to the recipient unaffected by the tax lien or withholding order. SURS is not required to make up any amounts not paid due to recoupment of an overpayment, tax lien, or withholding order.

Division of Automatic Annual Increase

If the QILDRO indicates that retirement benefits are being divided through the QILDRO, Section IV must be completed. Section IV of the QILDRO is where post-retirement increases are assigned to the alternate payee. If the "shall" box is checked, then the alternate payee will receive a portion of the automatic annual increase measured by the proportion that the alternate payee amount bears to the member's retirement benefit. In other words, if the "YES" box is checked, and the total member's retirement benefit receives a 3% automatic annual increase, the portion going to the alternate payee will increase by 3%. If the "shall not" box is checked, then the amount that the alternate payee receives will remain constant, unless a modified QILDRO is received. If a designation is not indicated in Section IV of the QILDRO, the order will be deemed incomplete and returned to the person filing the QILDRO.

Application for Benefit By Alternate Payee

An alternate payee who is entitled under a QILDRO to all (not just a portion) of a member's benefit may apply for the benefit, but only if all other qualifications and requirements for payment of the benefit have been met. The alternate payee may not apply for a member's benefit under the following circumstances: (i) the alternate payee is only entitled to part of the member's entire benefit (this restriction does not apply with respect to members participating in the Self-Managed Plan; (ii) the member is earning service credit (including service credit granted to members receiving disability benefits) in any retirement system covered by the Retirement Systems Reciprocal Act, 40 ILCS 5/20; or (iii) the member is below the minimum age for receiving an undiscounted retirement annuity from SURS or any system under the Retirement Systems Reciprocal Act. This restriction does not apply to alternate payees under the Self-Managed Plan who are to receive a portion of the member's account in a lump sum.

Member's Election of Form of Payment

A member whose benefit is subject to a QILDRO may not elect a form of payment that would diminish the amount payable to the alternate payee, unless the alternate payee has consented to the election in writing. If a member wants to make an election that would diminish the amount payable to the alternate payee, SURS is statutorily required to reject the election and advise the member of the need to obtain the alternate payee's consent. SURS will send the member a consent form that must be completed and returned to SURS. The consent form must include the alternate payee's notarized signature. If it is questionable whether an election would diminish the amount payable to an alternate payee, SURS may hold the election until clarification is obtained from a court with jurisdiction. It shall be the duty of the member or the alternate payee to obtain such clarification.

Modified QILDROs

A modified QILDRO and/or QILDRO Calculation Court Order should be sent to SURS in the same manner as a new QILDRO and/or QILDRO Calculation Court Order. A separate \$50 processing fee payable to the State Universities Retirement System must be paid each time a modified QILDRO and/or QILDRO Calculation Order is submitted to SURS. If a modified QILDRO and/or QILDRO Calculation Court Order applies to a person who was a SURS member before July 1, 1999, the member's original signed Consent to Issuance of a QILDRO form on file with the System will satisfy the consent requirement.

A modified QILDRO and/or QILDRO Calculation Court Order will hold the same priority of payment that the original QILDRO and/or QILDRO Calculation Court Order held, as long as the modified QILDRO and/or QILDRO Calculation Court Order does not: (i) increase the amount of any benefit payable to the alternate payee; or (ii) affect a different benefit. If a modified QILDRO and/or QILDRO Calculation Court Order does increase the amount or affect different benefits, the modified QILDRO and/or QILDRO Calculation Court Order will lose the priority held by the original QILDRO and/or QILDRO Calculation Court Order. Priority of payment will then be based on the date SURS received the modified QILDRO and/or QILDRO Calculation Court Order. If the

benefit is subject to multiple QILDROs and/or QILDRO Calculation Court Orders, losing the original QILDRO's and/or QILDRO Calculation Court Order's priority could actually result in a reduced payment to the alternate payee. If the benefit is not large enough to pay the total due under all QILDRO and/or QILDRO Calculation Court Orders, only the amount remaining after all other QILDRO and/or QILDRO Calculation Court Orders have been paid will be available.

Canceled (Vacated) QILDROs

A member who wishes to cancel/vacate an existing QILDRO and/or QILDRO Calculation Court Order must file a Motion to Vacate the previous QILDRO and/or QILDRO Calculation Court Order with the court and obtain a corresponding order cancelling or vacating the same.

A court certified copy of an Order to Vacate the previous QILDRO and/or QILDRO Calculation Court Order as well as a file stamped copy of the Motion to Vacate should be sent to SURS with a \$50 processing fee payable to the State Universities Retirement System.

The Order to Vacate the previous QILDRO and/or QILDRO Calculation Order must be accompanied by a court filed stamped copy of the original QILDRO entered by the court that was accepted as valid by SURS.

Expiration of a QILDRO

A QILDRO expires upon the death of the alternate payee. The right to receive the affected benefit will then revert to the member.

A QILDRO expires upon the death of the member, unless the QILDRO allocates death benefits that may be payable to an alternate payee.

A QILDRO expires after specified number of payments are made to the alternate payee under paragraph III (d)(2) of the Order, unless the alternate payee is entitled to death benefits.

A QILDRO for a participant in the Self-Managed Plan expires after a lump sum payment is divided from the member's account to the alternate payee through Section V (A)(1) (2) or (3) of the QILDRO.

A QILDRO expires when the member takes a refund that terminates the member's participation in SURS. This is true even if the member's refund is paid to an alternate payee. A QILDRO that expires because the member takes a refund is not renewed by the member's subsequent return to SURS membership.

In the event a retired member returns to work, the QILDRO payments may be suspended. When the member retires again, the QILDRO payments will resume, if suspended.

Income Tax Reporting

The member and the alternate payee will receive an income tax form 1099-R by February 1st of each year for the previous calendar year. The form will provide the taxable and nontaxable portion of the benefit payments.

Information About SURS

The benefit programs administered by SURS are governmental plans as defined in §414(d) of the Internal Revenue Code of 1986, as amended, and §3(32) of the Employees Retirement Income Security Act of 1974, as amended. The retirement program is administered as a qualified plan pursuant to §401(a) of the Internal Revenue Code of 1986, as amended. SURS benefit programs are subject to Articles 1, 15, and 20 of the Illinois Pension Code, 40 ILCS 5 and Chapter II of Subtitle D of Title 80 of the Illinois Administrative Code. In addition, as a board created by the Illinois General Assembly, SURS is subject to numerous other laws as an agency of the State. Article 15 of the Illinois Pension Code, 40 ILCS 5/15-101 *et seq.*, explains SURS retirement benefits and the methods for calculating those benefits.

GLOSSARY

Alternate Payee - The spouse, former spouse, child, or other dependent of a member, as designated in a QILDRO. [40 ILCS 5/1-119(a)(1).]

Death Benefit - Any nonperiodic benefit payable upon the death of a member to a survivor of the member or to the member's estate or designated beneficiary, including any refund of contributions following the member's death, whether or not the benefit is so called under the applicable Article of the Illinois Pension Code. [40 ILCS 5/1-119(a)(2).]

Disability Benefit - Any periodic or nonperiodic benefit payable to a disabled member based on occupational or nonoccupational disability or disease, including any periodic or nonperiodic increases in the benefit, whether or not the benefit is so called under the applicable Article of the Illinois Pension Code. [40 ILCS 5/1-119(a)(3).] Disability Benefit includes a disability retirement annuity under Section 15-153.2 of the Illinois Pension Code.

Member - Any person who participates in or has service credit in SURS, including a person who is receiving or is eligible to receive a retirement or disability benefit, without regard to whether the person has withdrawn from service. [40 ILCS 5/1-119(a)(4).]

Member's Refund - A return of all or a portion of a member's contributions that is elected by the member (or provided by operation of law) and is payable before the member's death. [40 ILCS 5/1-119(a)(5).]

QILDRO (Qualified Illinois Domestic Relations Order) - An Illinois court order that creates or recognizes the existence of an alternate payee's right to receive all or a portion of the member's accrued benefits in SURS, is issued pursuant to Section 1-119 of the Illinois Pension Code and Section 503(b)(2) of the Illinois Marriage and Dissolution of Marriage Act, and meets the requirements of Section 1-119 of the Illinois Pension Code. A QILDRO is not the same as a qualified domestic relations order or QDRO issued pursuant to Section 414(p) of the Internal Revenue Code of 1986. [40 ILCS 5/1-119(a)(6).]

QILDRO Calculation Order - An Illinois Court order that provides the amount of the retirement benefit, refund, partial refund, and death benefit that is subject to a QILDRO allocation of benefits on a percentage basis as issued pursuant to Section 1-119 of the Illinois Pension Code.

Regular Payee - The person to whom a benefit would be payable in the absence of an effective QILDRO. [40 ILCS 5/1-119(a)(7).]

Retirement Benefit - Any periodic or nonperiodic benefit payable to a retired member based on age or service, or on the amounts accumulated to the credit of the member for retirement purposes, including any periodic or nonperiodic increases in the benefit, whether or not the benefit is so called under Article 15 of the Illinois Pension Code. [40 ILCS 5/1-119(a)(8).]

Surviving Spouse - The spouse of a member at the time of the member's death. [40 ILCS 5/1-119(a)(10).]

Survivor's Benefit - Any periodic benefit payable to a surviving spouse, child, parent, or other survivor of a deceased member, including any periodic or nonperiodic increases in the benefit, whether or not the benefit is so called under Article 15 of the Illinois Pension Code. [40 ILCS 5/1-119(a)(11).]

Permissive Service - Service credit purchased by the member, unused vacation, and unused sick leave that the retirement system includes by statute in a member's benefit calculation.

Regular Service - Service credit earned by the member, including repayment of a refund for regular service that the retirement system includes by statute in a member's benefit calculation. "Regular service" does not include service credit purchased by the member, unused vacation, or unused sick leave.

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT

_____ COUNTY, ILLINOIS

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No. _____

CONSENT TO ISSUANCE OF QILDRO

Member's Name: _____

Member's Social Security Number: _____

Alternate Payee's Name: _____

Alternate Payee's Social Security Number: _____

I, the member of the State Universities Retirement System of Illinois listed above, hereby irrevocably consent to the issuance of a Qualified Illinois Domestic Relations Order. I understand that under the Order, certain benefits that would otherwise be payable to me or to my death benefit beneficiaries or estate, will instead be payable to the alternate payee listed above. I also understand that my right to elect certain forms of payment of my retirement benefit or member's refund may be limited as a result of the Order.

DATED: _____

SIGNED: _____ (must be witnessed by a Notary)

SURS Member Signature only

Certification of Notary Public:

State of Illinois, County of _____

The foregoing instrument was acknowledged before me this _____ (day) of _____ (month), 20____
(year), at _____, Illinois, by _____.

Affix seal:

Signature of Notary Public

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
_____ COUNTY, ILLINOIS

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No. _____

QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDER

THIS CAUSE coming before the Court for the purpose of the entry of a Qualified Illinois Domestic Relations Order under the provisions of Section 1-119 of the Illinois Pension Code, the Court having jurisdiction over the parties and the subject matter hereof; the Court finding that one of the parties to this proceeding is a member of a retirement system subject to Section 1-119 of the Illinois Pension Code, this Order is entered to implement a division of that party's interest in the retirement system; and the Court being fully advised;

IT IS HEREBY ORDERED AS FOLLOWS:

- (I) The definitions and other provisions of Section 1-119 of the Illinois Pension Code are adopted by reference and made a part of this Order.
- (II) Identification of retirement system and parties:

Retirement System: State Universities Retirement System of Illinois (SURS)
1901 Fox Drive, Champaign, IL 61820

Member: _____
 (name)

 (residence address)

 (Social Security number)

Alternate Payee: _____
 (name)

 (residence address)

 (Social Security number)

The alternate payee is the member's (check one):

☐ current or former spouse ☐ child or other dependent

Date of Marriage _____ **Date of Divorce** _____

 Member's Name

(III) The Retirement System shall pay the indicated amounts of the member's *retirement benefits* to the alternate payee under the following terms and conditions:

(A) The Retirement System shall pay the alternate payee pursuant to one of the following methods (complete the **ONE** option that applies):

- (1) \$ _____ per month (enter amount); OR
- (2) _____% (enter percentage) per month of the marital portion of said benefit with the marital portion defined using the formula in Section IX; OR
- (3) _____% (enter percentage) per month of the gross amount of said benefit calculated as of the date the (check one) ☐ member's ☐ alternate payee's benefit commences (check alternate payee only if the alternate payee will commence benefits after the member commences benefits, e.g. if the member is receiving retirement benefits at the time this Order is entered).

(B) If the member's retirement benefit has already commenced, payments to the alternate payee shall commence either (check / complete the **ONE** option that applies):

- (1) ☐ as soon as administratively possible upon this order being received and accepted by the Retirement System; OR
- (2) ☐ on the date of _____ (enter any benefit payment date that will occur at least 30 days after the date the retirement system receives a valid QILDRO, but **ONLY** if payment to the alternate payee is to be delayed to some future date; otherwise, check item (1) above).

(C) If the member's retirement benefit has not yet commenced, payments to the alternate payee shall commence as of the date the member's retirement benefit commences.

(D) Payments to the alternate payee under this Section III shall terminate (check / complete the **ONE** option that applies):

- (1) ☐ upon the death of the member or the death of the alternate payee, whichever is the first to occur; OR
- (2) ☐ after _____ payments are made to the alternate payee (enter any set number) or upon the death of the member or the death of the alternate payee, whichever is the first to occur.

(IV) If the member's retirement benefits are subject to annual post-retirement increases, the alternate payee's share of said benefits (check one) ☐ shall ☐ shall not be recalculated or increased annually to include a proportionate share of the applicable annual increases.

Member's Name

(V) The Retirement System shall pay to the alternate payee the indicated amounts of any *refund upon termination or any lump sum retirement benefit (or FOR MEMBERS IN THE SELF MANAGED PLAN ONLY...account balance transfer of member's vested balance to alternate payee)* that becomes payable to the member, under the following terms and conditions:

(A) The Retirement System shall pay the alternate payee pursuant to one of the following methods (complete the **ONE** option that applies):

- (1) \$_____ (enter amount); OR
- (2) _____% (enter percentage) of the marital portion of the refund or lump sum retirement benefit, with the marital portion defined using the formula in Section IX. OR
- (3) _____% (enter percentage) of the gross amount of the refund or lump sum retirement benefit, calculated when the member's refund or lump sum retirement benefit is paid.

(B) The amount payable to an alternate payee under Section V (A) (2) or V (A) (3) shall include any applicable interest that would otherwise be payable to the member under the rules of the Retirement System.

(C) The alternate payee's share of the refund or lump sum retirement benefit under this Section V shall be paid when the member's refund or lump sum retirement benefit is paid.

(VI) The Retirement System shall pay to the alternate payee the indicated amounts of any *partial refund* that becomes payable to the member under the following terms and conditions:

(A) The Retirement System shall pay the alternate payee pursuant to one of the following methods (complete the **ONE** option that applies):

- (1) \$_____ (enter amount); OR
- (2) _____% (enter percentage) of the marital portion of said benefit, with the marital portion defined using the formula in Section IX; OR
- (3) _____% (enter percentage) of the gross amount of the benefit calculated when the member's refund is paid.

(B) The amount payable to an alternate payee under Section VI (A) (2) or VI (A) (3) shall include any applicable interest that would otherwise be payable to the member under the rules of the Retirement System.

(C) The alternate payee's share of the refund under this Section VI shall be paid when the member's refund is paid.

Member's Name

(VII) The Retirement System shall pay to the alternate payee the indicated amounts of any *death benefits* that become payable to the member's death benefit beneficiaries or estate under the following terms and conditions:

(A) To the extent and only to the extent required to effectuate this Section VII, the alternate payee shall be designated as and considered to be a beneficiary of the member at the time of the member's death and shall receive (complete **ONE** of the following options):

- (1) \$_____ (enter amount); OR
- (2) _____% (enter percentage) of the marital portion of death benefits, with the marital portion defined using the formula in Section IX; OR
- (3) _____% (enter percentage) of the gross amount of the death benefits calculated when said benefits become payable.

(B) The amount payable to an alternate payee under Section VII (A) (2) or VII (A) (3) shall include any applicable interest payable to the death benefit beneficiaries under the rules of the Retirement System.

(C) The alternate payee's share of death benefits under this Section VII shall be paid as soon as administratively possible after the member's death.

(VIII) If this Order indicates that the alternate payee is to receive a percentage of any retirement benefit or refund upon receipt of the information required to be provided by the Retirement System under Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119), the calculations required shall be performed by the members, by the alternate payee, or by their designated representatives or designated experts. The results of the calculations shall be provided to the Retirement System via a QILDRO Calculation Court Order in accordance with Section 1-119 of the Illinois Pension Code.

(IX) Marital Portion Benefit Calculation Formula (Option to calculate benefit items in III (A) (2), V (A) (2), VI (A) (2), and VII (A) (2). If in this Section "other" is circled in the definition of A, B, or C, then a supplemental order must be entered simultaneously with this QILDRO clarifying the intent of the parties or the Court as to that item. The supplemental order cannot require the Retirement System to take any action not permitted under Illinois law or the Retirement System's administrative rules. To the extent that the supplemental order does not conform to Illinois law or administrative rules, it shall not be binding upon the Retirement System.

(1) The amount of the alternate payee's benefit shall be the result of $(A/B) \times C \times D$ where:

"A" equals the number of years or fraction of years of (check only one) ☐ regular ☐ regular plus permissive ☐ other service that the member accumulated in the Retirement System from the date of marriage _____ (enter date MM/DD/YYYY) to the date of divorce _____ (enter date MM/DD/YYYY). This number of months of service shall be calculated as whole months after receipt of information required from the Retirement System pursuant to Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119).

(Member's Name)

“B” equals the number of years or fraction of years of (check only one) ☐ regular ☐ regular plus permissive ☐ other service that the member accumulated in the Retirement System from the time of initial membership in the Retirement System through the member’s effective date of retirement. The number of months of service shall be calculated as whole months after receipt of information required from the Retirement System pursuant to Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119).

“C” equals the gross amount of:

(i) the member’s monthly retirement benefit (Section III (A)) calculated as of the member’s effective date of retirement (check only one) ☐ including ☐ not including ☐ other permissive service, upgrades purchased, and other benefit formula enhancements;

(ii) the member’s refund payable upon termination or lump sum retirement benefit that becomes payable, including any payable interest (Section V(A)) calculated as of the time said refund becomes payable to the member;

(iii) the member’s partial refund, including any payable interest (Section VI (A)) calculated as of the time said partial refund becomes payable to the member; or

(iv) the death benefit payable to the member’s alternate payee, death benefit beneficiaries or estate, including any payable interest (Section VII (A)) calculated as of the time said benefit becomes payable to the member’s beneficiary;

whichever are applicable pursuant to Section III, V, VI, or VII of this Order. This gross amounts shall be provided by the Retirement System pursuant to Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119).

“D” equals the percentage noted in Section III (A) (2), V (A) (2), VI (A) (2), or VII (A) (2), whichever are applicable.

(2) The alternate payee’s benefit under this Section IX shall be paid in accordance with all Sections of this Order that apply.

(X) In accordance with subsection (j) of Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119), so long as this QILDRO is in effect, the member may not elect a form of payment of the retirement benefit that has the effect of diminishing the amount of payment to which the alternate payee is entitled, unless the alternate payee has consented to the election in writing, the consent has been notarized, and the consent has been filed with the Retirement System.

(XI) If the member began participating in the Retirement System before July 1, 1999, this Order shall not take effect unless accompanied by the written consent of the member as required under subsection (m) of Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119).

(XII) The Court retains jurisdiction over this matter for all of the following purposes:

(1) To establish or maintain this Order as Qualified Illinois Domestic Relations Order.

(Member’s Name)

- (2) To enter amended QILDROs and QILDRO Calculation Court Orders to conform to the parties' Marital Settlement Agreement or Agreement for Legal Separation ("Agreement"), to the parties' Judgment for Dissolution of Marriage or Judgment for Legal Separation ("Judgment"), to any modifications of the parties' Agreement or Judgment, or to any supplemental orders entered to clarify the parties' Agreement or Judgment.
- (3) To enter supplemental orders to clarify the intent of the parties or the Court regarding the benefits allocated herein in accordance with the parties' Agreement or Judgment, with any modifications of the parties' Agreement or Judgment, or with any supplemental orders entered to clarify the parties' Agreement or Judgment. A supplemental order may not require the Retirement System to take any action not permitted under Illinois law or the Retirement System's administrative rules. To the extent that the supporting order does not conform to Illinois law or administrative rule, it shall not be binding upon the Retirement System.

Judge's Signature

Date

** certified copy required*

**IN THE CIRCUIT COURT OF THE _____ JUDICIAL
_____ COUNTY, ILLINOIS**

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)
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No. _____

**QILDRO CALCULATION COURT ORDER
State Universities Retirement System**

THIS CAUSE coming before the Court for the purpose of the entry of a QILDRO Calculation Order under the provisions of Section 1-119 of the Illinois Pension Code (40ILCS 5/1-119), the Court having jurisdiction over the parties and the subject matter hereof; the Court finding that a QILDRO has previously been entered in this matter, that the QILDRO has been received and accepted by the Retirement System, and that the QILDRO requires percentage calculations to allocate the alternate payee's share of the member's benefit or refund, the Court not having found that the QILDRO has become void or invalid, and the Court being fully advised;

IT IS HEREBY ORDERED AS FOLLOWS:

- (1) The definitions and other provisions of Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119) are adopted by reference and made a part of this Order.
- (2) Identification of Retirement System and parties:

Retirement System: State Universities Retirement System of Illinois
1901 Fox Drive
Champaign, IL 61820

Member:

(name)

(mailing address)

(social security number)

Alternate Payee:

(name)

(mailing address)

(social security number)

The alternate payee is the member's (check one): ☐ current or former spouse ☐ child or other dependent

Member's Name

- (3) The following shall apply if and only if the QILDRO allocated benefits to the alternate payee in the specific Section noted. The Retirement System shall pay the amounts as directed below, but only if and when the benefits are payable pursuant to the QILDRO and Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119). Parties shall see QILDRO Section IX for the definitions of A, B, C and D as used below:

- (a) The alternate payee's benefit pursuant to QILDRO Section III (A) (2) shall be calculated pursuant to Section IX of the QILDRO and paid as follows:

$$\left(\frac{\text{(enter A)}}{\text{(enter B)}} \right) \times \text{(enter C)} \times \text{(enter D)} = \text{(Monthly Amount)}$$

- (b) The alternate payee's benefit pursuant to QILDRO Section V (A) (2) shall be calculated pursuant to Section IX for the QILDRO and paid as follows:

$$\left(\frac{\text{(enter A)}}{\text{(enter B)}} \right) \times \text{(enter C)} \times \text{(enter D)} = \text{(Amount)}$$

- (c) The alternate payee's benefit pursuant to QILDRO Section VI (A) (2) shall be calculated pursuant to Section IX of the QILDRO and paid as follows:

$$\left(\frac{\text{(enter A)}}{\text{(enter B)}} \right) \times \text{(enter C)} \times \text{(enter D)} = \text{(Amount)}$$

- (d) The alternate payee's benefit pursuant to QILDRO Section VII (A) (2) shall be calculated pursuant to Section IX of the QILDRO and paid as follows:

- (A) If the member is deceased on the date of this order:

$$\left(\frac{\text{(enter A)}}{\text{(enter B)}} \right) \times \text{(enter C)} \times \text{(enter D)} = \text{(Amount)}$$

- (B) If the member is still living on the date of this order:

$$\left(\frac{\text{(enter A)}}{\text{(enter B)}} \right) \times \text{Gross Death Benefit} \times \text{(enter D)} = \text{Amount Payable to Alternate Payee}$$

The Gross Death Benefit shall equal the gross amount of benefits payable calculated as of the member's date of death and provided to the parties under Section 1-119(h)(1.5)(D) of the Illinois Pension Code. The Amount Payable to the Alternate Payee will be calculated by the System as soon as administratively possible following receipt of notice of the member's death.

The Retirement System's sole obligation with respect to the equations in this paragraph (3) is to pay the amounts indicated as the result of the equations. The Retirement System shall have no obligation to review or verify the equations or to assist in the calculations used to determine such amounts.

Member's Name

- (4) The following shall apply only if the QILDRO allocated benefits to the alternate payee in the specific Section noted. The Retirement System shall pay the amounts as directed below, but only if and when the benefits are payable pursuant to the QILDRO and Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119).

- (a) The alternate payee's benefit pursuant to QILDRO Section III (A) (3) shall be calculated pursuant to Section IX of the QILDRO and paid as follows:

$$\frac{\text{_____}}{\text{(gross benefit)}} \times \frac{\text{_____}}{\text{(percentage)}} = \frac{\$ \text{_____}}{\text{(monthly amount)}}$$

- (b) The alternate payee's benefit pursuant to QILDRO Section V (A) (3) shall be calculated pursuant to Section IX for the QILDRO and paid as follows:

$$\frac{\text{_____}}{\text{(gross benefit)}} \times \frac{\text{_____}}{\text{(percentage)}} = \frac{\$ \text{_____}}{\text{(single lump sum amount)}}$$

- (c) The alternate payee's benefit pursuant to QILDRO Section VI (A) (3) shall be calculated pursuant to Section IX of the QILDRO and paid as follows:

$$\frac{\text{_____}}{\text{(gross benefit)}} \times \frac{\text{_____}}{\text{(percentage)}} = \frac{\$ \text{_____}}{\text{(single lump sum amount)}}$$

- (d) The alternate payee's benefit pursuant to QILDRO Section VII (A) (3) shall be calculated pursuant to Section IX of the QILDRO and paid as follows:

- (A) If the member is deceased on the date of this order:

$$\frac{(\text{_____})}{\text{(gross death benefit)}} \times \frac{\text{_____}}{\text{(percentage)}} = \frac{\text{_____}}{\text{(single lump sum amount)}}$$

- (B) If the member is still living on the date of this order:

$$\text{Gross Death Benefit} \times \frac{\text{_____}}{\text{(percentage)}} = \text{Amount Payable to Alternate Payee}$$

The Gross Death Benefit shall equal the gross amount of benefits payable calculated as of the member's date of death and provided to the parties under Section 1-119(h)(1.5)(D) of the Illinois Pension Code. The Amount Payable to the Alternate Payee will be calculated by the System as soon as administratively possible following receipt of notice of the member's death.

The Retirement System's sole obligation with respect to the equations in this paragraph (4) is to pay the amounts indicated as the result of the equations. The Retirement System shall have no obligation to review or verify the equations or to assist in the calculations used to determine such amounts.

Member's Name

- (5) The Court retains jurisdiction over this matter for the following purposes:
- (A) To establish or maintain this Order as QILDRO Calculation Court Order:
 - (B) Legal Separation (“Judgment”), to any modifications of the parties’ QILDRO, Agreement or Judgment, or to any supplemental orders entered to clarify the parties’ QILDRO, Agreement, or Judgment; and
 - (C) To enter supplemental orders to clarify the intent of the parties or the Court regarding the benefits allocated herein in accordance with the parties’ Agreement or Judgment, with any modifications of the parties’ Agreement or Judgment, or with any supplemental orders entered to clarify the parties’ Agreement or Judgment. A supplemental order may not require the Retirement System to take any action not permitted under Illinois law or the Retirement System’s administrative rules. To the extent the supplemental order does not conform to Illinois law or administrative rule, it shall not be binding upon the Retirement System.

Judge’s Signature

Date

** certified copy required*