



Pre-Retirement Qualified Domestic Relations Order for Division of Marital Property

Instructions for Completion

GENERAL INFORMATION

- The printed language on the Form 6434, "Pre-Retirement Qualified Domestic Relations Order for Division of Marital Property" (QDRO) cannot be altered. The QDRO will be rejected by Kentucky Public Pensions Authority (KPPA) if the printed language is altered in any manner. (See KRS 16.645, 61.690, 78.545, and 105 KAR 1:190).
- Information provided is to assist participants (active, inactive, and retired members) going through a divorce whose retirement account might be subject to division as marital property.
- All participants are strongly advised to seek financial, legal, or other expert advice. KPPA is not rendering legal, financial, or any other type of professional advice in these instructions and nothing in these instructions should be construed as providing legal, financial, or any other type of professional advice. KPPA cannot make a determination of the status of a participant's retirement account as marital property. The Court must decide what is marital property and how the marital property is to be divided.
- The Court, the attorneys, and the parties to the dissolution of marriage action are strongly encouraged to review the KPPA's "Summary Plan Description" to understand how a participant's retirement benefits are determined. The "Summary Plan Description" contains detailed information concerning retirement benefits and can be found on KPPA's website, kyret.ky.gov.
- If specific participant retirement account information is necessary for the Court to calculate the amount due to the alternate payee, a completed Form 6433, "Authorization for Release of Information and Request for Information for a Qualified Domestic Relations Order" must be filed with KPPA. The Form 6433 can be found on KPPA's website, kyret.ky.gov.
- The alternate payee will not be eligible for benefits under the QDRO until the participant retires or receives a refund of their accumulated account balance.
- The participant is still required to submit a copy of the divorce decree even if the participant submits a QDRO.

SECTION BY SECTION INSTRUCTIONS. These instructions only cover sections that require completion by the Court.

Section 2. The Court must complete all fields.

Section 3. The Court must complete all fields.

Section 4. The Court must mark all retirement systems to which this order applies. If a Participant has service credit in multiple retirement systems, the Court should mark only the systems affected by the QDRO for marital service.

NOTE: If the Participant is not certain which retirement system the service credit is in, it is vital that the Participant contact KPPA or access his/her Member Self-Service Portal to obtain the accurate retirement system information to provide to the Court.

Section 5. The Court must enter the date of the marriage that is the subject of this divorce action.

Section 6. The Court must enter the date of the dissolution of the marriage that is the subject of this divorce action.

Section 8. There are three payment options for division of the retirement account, the Court must choose one Option A, B, or C.

Option A. The first payment option allows the Court to determine a specific dollar amount to be paid to the Alternate Payee. The Court shall designate a specific dollar amount to be withheld from each possible payment type.

For example: The Participant's projected basic monthly retirement allowance is \$1,000.00 per month, projected actuarial equivalent refund amount is \$30,000, projected accumulated account balance amount is \$10,000, and projected one-time partial lump-sum payment amount is \$5,000 with an ongoing monthly retirement allowance of \$800. The Court could order:

A. DOLLAR AMOUNT PURSUANT TO 105 KAR 1:190 SECTION 5(4):

If the Participant elects a plan of payment that consists of: (1) a monthly retirement allowance, (2) an actuarial equivalent refund, (3) a refund of his or her accumulated account balance, or (4) a one-time partial lump-sum payment with a reduced monthly retirement allowance, KPPA shall withhold and pay to the Alternate Payee, as appropriate:

\$200.00 per month from the Participant's monthly retirement allowance;

\$10,000.00 from the Participant's actuarial equivalent refund;

\$3,000.00 from the Participant's refund of his or her accumulated account balance;

\$1,000.00 from the Participant's one-time partial lump sum payment and thereafter, **\$150.00** per month from the Participant's reduced monthly retirement allowance.

Option B. The second payment option establishes the alternate payee's payment as a percentage based on the marital service, as provided by the Court, which will be calculated at the time of the Participant's retirement or request for a refund of his or her accumulated account balance.

For example: Fred and Sue were married for 162 months. Fred had 60 months of service accrued in CERS prior to marriage. Fred continues to earn service credit after he and Sue divorce.

B. PERCENTAGE PURSUANT TO 105 KAR 1:190 SECTION 5(4):

KPPA shall pay an amount withheld from the Participant's retirement payment option that is based on a percentage, which shall be determined pursuant to 105 KAR 1:190 Section 5(4) as set forth below:

Months of marital service in which participant was a contributing member of the system affected by the QDRO	$\times 100 \div 2 =$	Percentage of
Participant's total service credit used to calculate the retirement payment option		benefit due to the alternate payee

To determine the amount due to the Alternate Payee, the above percentage shall be applied to the Participant's elected plan of payment or accumulated account balance refund in accordance with 105 KAR 1:190 Section 5(4).

At retirement, Fred has accrued a total of 324 months of service credit. KPPA will calculate the percentage as follows:

162 (months of service earned during marriage)	$\times 100 \div 2 =$	25% due to the alternate payee
324 (months of total service credit at retirement)		

Sue will be paid one of the following based on Fred's elected plan of payment:

- If Fred elects a monthly retirement benefit - 25% of his **basic** monthly retirement allowance payment (**not** of the payment option he selects). **Note:** If Fred's basic monthly retirement allowance payment would be \$1,000/month, but he selects the Survivorship 100% payment option that will pay him \$900/month, Sue will be paid \$250/month.
- If Fred elects an actuarial equivalent refund - 25% of the actuarial equivalent refund.
- If Fred elects a refund of his accumulated account balance - 25% of the refund of his accumulated account balance.
- If Fred elects a Partial Lump Sum Payment Option (PLSO) - 25% of Fred's lump sum payment, **and** 25% of the corresponding monthly payment calculated based on the **without survivor rights option** (**not** of the PLSO with survivor rights payment option, if selected). **Note:** If Fred's reduced ongoing monthly retirement allowance without survivor rights option would be \$800/month, but he selects a Survivorship option that will pay him \$700/month, Sue will be paid the correlating reduced monthly retirement allowance payment without survivor rights of \$200/month.

Option C. The third option allows the Court to set a percentage that may or may not be based on the marital service. The percentage set by the Court pursuant to this option shall be calculated at the time of retirement or request for a refund of his or her accumulated account balance.

For example: The Court awards Sue 40% of Fred's elected plan of payment from his retirement account. The Court would select Option C by placing an "X" and indicating the set percentage as follows:

C. Alternative percentage designation pursuant to 105 KAR 1:190 Section 5(4):

KPPA shall withhold from the Participant's retirement payment option and pay to the Alternate Payee 40% of the Participant's elected plan of payment or accumulated account balance refund, applied in accordance with 105 KAR 1:190 Section 5(4).

Sue will be paid one of the following based on Fred's elected plan of payment:

- If Fred elects a monthly retirement benefit - 40% of his **basic** monthly retirement allowance payment (**not** of the payment option he selects). **Note:** If Fred's basic monthly retirement allowance payment would be \$1,000/month, but he selects the Survivorship 100% payment option which will pay him \$900/month, Sue will still be paid \$400/month).
- If Fred elects an actuarial equivalent refund - 40% of the actuarial equivalent refund.
- If Fred elects a refund of his accumulated account balance - 40% of the refund of his accumulated account balance.
- If Fred elects a Partial Lum-Sum Payment Option (PLSO) - 40% of Fred's lump sum payment, **and** 40% of the monthly payment calculated based on the **without survivor rights option** (**not** of the PLSO with survivor rights payment option, if selected). **Note:** If Fred's reduced ongoing monthly retirement allowance with without survivor rights option would be \$800/month, but he selects a Survivorship option that will pay him \$700/month, Sue will still be paid the correlating reduced monthly retirement allowance payment without survivor rights of \$320/month).

Section 9. The Court shall order the time period the payments under the QDRO shall be made if the Participant selects a retirement payment option that pays a monthly retirement allowance. The Court shall choose whether to limit the payments to a certain number of months or until the Participant's or Alternate Payee's death, whichever comes first.

Section 10. The Court must decide how the cost-of-living increase provided in KRS 61.691 and 78.5518 is to be divided if the Court ordered the Alternate Payee be paid a specific dollar amount under Section 8, Option A.

Section 11. The Court must indicate how the administrative fee for filing the QDRO is to be paid.

NOTE: KPPA can only accept one check or money order for the fee, so the parties will need to determine who will submit payment with the QDRO. Fees are \$50.00 for the original and \$25.00 for an amended. **QDROs submitted without a certified check or money order payable to the Kentucky State Treasurer for the full amount owed cannot be reviewed or processed by KPPA.**

Kentucky Public Pensions Authority

Form 6434

Revised 03/2024



This Order is: New Corrected Amended Corrected Amended

COMMONWEALTH OF KENTUCKY

_____ Family/Circuit Court

Division _____

Civil Action No. _____ -CI- _____

Name

PETITIONER

vs.

Name

RESPONDENT

**PRE-RETIREMENT QUALIFIED DOMESTIC RELATIONS ORDER
FOR DIVISION OF MARITAL PROPERTY**

The Court finds the following facts and issues the following Order pursuant to KRS 403.190, KRS 16.645, KRS 61.690, KRS 78.545, and 105 KAR 1:190:

1. This Order is intended to comply with and be administered and interpreted in conformity with 26 U.S.C. Sections 401(a) and 414(p), KRS 16.645, KRS 61.690, KRS 78.545, and KRS Chapter 403.

2. The following information is provided for the Participant:

Name: _____

Kentucky Public Pensions Authority Member ID or SSN: _____

Current Mailing Address: _____

City, State, Zip Code

3. The following information is provided for the Alternate Payee:

Name: _____

Current Mailing Address: _____

City, State, Zip Code

4. The "Retirement System(s)" affected by the Order are (check the box below for each retirement system to which this Order applies):

State Police Retirement System
(Kentucky State Police troopers)

County Employees Retirement System
(City/county local governments, eligible local agencies, school boards)

Kentucky Employees Retirement System
(State departments, boards, state colleges and universities, employers directed by Executive Order of the Governor to participate in KERS, and quasi-governmental agencies)

This Order shall be processed only using the System indicated, and shall not be valid or processed if the participant does not have service credit in the System indicated.

5. The date of the marriage is _____

6. The date that the dissolution of the marriage was entered is _____

7. **Obligation of Participant and Alternate Payee:** The Participant and the Alternate Payee are ordered to notify the Kentucky Public Pensions Authority (KPPA) in writing of a change in the individual's mailing address. KPPA shall not be responsible for any failure of communication or receipt of payment caused by the failure of the Participant or the Alternate Payee to provide a current mailing address. KPPA is under no statutory or regulatory duty to attempt to find any party who does not inform KPPA of his/her current address and shall not attempt to locate any party who does not inform KPPA of his or her current address.

8. **Amount Payable to the Alternate Payee:** Upon the Participant receiving a payment from KPPA, the Court orders that KPPA shall, in accordance with KRS 16.645, 61.690, 78.545, and 105 KAR 1:190, withhold and pay to the Alternate Payee the following: **[Designate only one option (A, B or C) and complete entirely]** (see instructions for details and examples)

OPTION A - DOLLAR AMOUNT PURSUANT TO 105 KAR 1:190 SECTION 5(4):

If the Participant elects a plan of payment that consists of: (1) a monthly retirement allowance, (2) an actuarial equivalent refund, (3) a refund of his or her accumulated account balance, or (4) a one-time partial lump-sum payment with a reduced monthly retirement allowance, KPPA shall withhold and pay to the Alternate Payee, as appropriate: (Each space **MUST** have a dollar amount provided)

\$ _____ per month from the Participant's basic monthly retirement allowance;

\$ _____ from the Participant's actuarial equivalent refund;

\$ _____ from the Participant's refund of his or her accumulated account balance;

\$ _____ from the Participant's one-time partial lump sum payment and thereafter, \$ _____ per month from the Participant's reduced monthly retirement allowance.

OR

OPTION B - PERCENTAGE CALCULATED PURSUANT TO 105 KAR 1:190 SECTION 5(4):

KPPA shall pay to the Alternate Payee an amount withheld from the Participant's retirement payment option that is based on a percentage, which shall be determined pursuant to 105 KAR 1:190 Section 5(4) as set forth below:

Months of marital service in which participant was a contributing member of the system affected by the QDRO	$\times 100 \div 2 =$	=	Percentage of benefit due to the alternate payee
Participant's total service credit used to calculate the retirement payment option			

To determine the amount due to the Alternate Payee, the above percentage shall be applied to the Participant's elected plan of payment or accumulated account balance refund in accordance with 105 KAR 1:190 Section 5(4).

OR

OPTION C - ALTERNATIVE PERCENTAGE DESIGNATION PURSUANT TO 105 KAR 1:190 SECTION 5(4):

KPPA shall withhold from the Participant's retirement payment option and pay to the Alternate Payee _____ % of the Participant's elected plan of payment or accumulated account balance refund, applied in accordance with 105 KAR 1:190 Section 5(4).

9. If the Participant selects a retirement payment option that provides for a monthly retirement allowance, KPPA shall withhold the dollar amount or percentage provided in Section 8 of this Order: **(Select one option below)**

for a time period of _____ months, subject to the provisions of KRS 16.645, 61.690, and 78.545.

OR

until the Participant's or the Alternate Payee's death, whichever comes first.

10. Any cost-of-living increase provided in KRS 61.691 and 78.5518 shall be administered as follows: (Do not complete this item if the Participant has been ordered to pay the Alternate Payee a percentage of his/her monthly retirement allowance.)

All to the Participant.

OR

Divided between the Participant and the Alternate Payee pursuant to KRS 16.645, 61.690(9), and 78.545.

11. The payment of the administrative fee provided for in KRS 16.645, 61.690(10), 78.545, and 105 KAR 1:190 shall be paid in full to the KPPA through a single transaction as follows:

All to be paid by the Participant.

OR

All to be paid by the Alternate Payee.

OR

Equally shared between the Participant and the Alternate Payee.

12. This Order applies to payments to be made after the approval of the Order for enforcement by KPPA under KRS 16.645, 61.690, 78.545, and 105 KAR 1:190.

13. KPPA shall notify the Alternate Payee by U. S. Mail sent to the Alternate Payee's last known mailing address on file with KPPA when the Participant files a Notification of Retirement or an Application for a Refund of his or her accumulated account balance.

14. This Order does not require the Participant to select a particular retirement payment option or terminate his/her membership.

15. The Participant is ordered to notify KPPA of the death of the Alternate Payee.

16. KPPA shall not be liable to the Participant for payments made to the Alternate Payee after the Alternate Payee's death or for other payments made to the Alternate Payee to which the Alternate Payee was not entitled.

17. The Alternate Payee is ordered to immediately return any payments made pursuant to this Order that are received by the Alternate Payee after the death of the Participant.

18. The terms of this Order can only be amended or terminated by subsequent order of this Court.

19. As provided by KRS 16.645, 61.690, and 78.545, the Alternate Payee's right to payment under this Order is conditional on the Participant's right to a monthly retirement allowance payment, an actuarial equivalent refund, or a refund of his or her accumulated account balance from KPPA.

20. If the Participant's monthly retirement allowance payment, actuarial equivalent refund, or refund of his or her accumulated account balance from KPPA is subject to more than one Order under KRS 16.645, 61.690, and 78.545, the amount paid to the Alternate Payee under this Order may be reduced based on the priority of the other Orders.

21. The Alternate Payee's right to receive an amount from the Participant's monthly retirement allowance payment, actuarial equivalent refund, or a refund of his or her accumulated account balance shall terminate upon:

- a. The death of the Participant or the Alternate Payee; or
- b. The termination of an allowance paid to the Participant; or
- c. Subsequent Order of the Court terminating the Alternate Payee's rights.

22. Payments under this Order shall commence as provided by KRS 16.645, 61.690, and 78.545.

23. As provided in KRS 16.645, 61.690(4)(a), and 78.545, this Order does not and shall not be construed to require KPPA to take any action not authorized under state or federal law.

24. As provided in KRS 16.645, 61.690(4)(b), and 78.545, this Order does not and shall not be construed to require KPPA to provide any benefit, allowance, or other payment not authorized under state or federal law.

25. As provided in KRS 16.645, 61.690(4)(c), and (d) and 78.545, this Order does not and shall not be construed to grant the Alternate Payee any separate right, title, interest, or to any retirement allowance other than to the payment from the Participant's account provided under this Order.

SO ORDERED this ____ day of _____, 20 ____

(Clerk's Certification Seal)

Judge _____ Family/Circuit Court, Div. _____

CERTIFICATION OF SERVICE

I, Clerk of the above Court, do hereby certify that an attested copy of the foregoing has been served by mailing same to the following on this ____ day of _____, 20 ____ to:

Name: _____
Address: _____
Address: _____
City, State, Zip: _____

Name: _____
Address: _____
Address: _____
City, State, Zip: _____

Clerk _____ Circuit Court

By: _____ D.C.

HAVE SEEN AND AGREED: (Not Required)

Signature of the Participant

Signature of the Alternate Payee

Signature of Attorney for Participant

Signature of Attorney for Alternate Payee

Printed Name of Participant: _____

Printed Name of Alternate Payee: _____

Address: _____

Address: _____

City, State, Zip: _____

City, State, Zip: _____

Phone: _____

Phone: _____

Fax: _____

Fax: _____