

**EXPLANATION OF THE MODEL DOMESTIC RELATIONS
ORDER DIVIDING RETIREMENT PLAN BENEFITS
OF THE TEACHER RETIREMENT SYSTEM OF TEXAS
(September 2015)**

This explanation should be read carefully by anyone who intends to use the Teacher Retirement System of Texas (TRS) Active Member or Retiree model domestic relations orders to divide TRS pension benefits. This explanation is intended to assist in the completion of the TRS model domestic relations order. However, this explanation and the model orders cannot replace the advice of an attorney or careful review of the relevant TRS laws and rules. The laws related to domestic relations orders are complex, and the information contained in this explanation is not legal advice. You should consult your attorney to protect your interest in TRS benefits. Be sure that you completely understand the terms of any proposed court order, including any order based in whole or in part on this model, before the judge signs it. While TRS can provide you with information about its benefit plan and procedures, it cannot provide you with legal advice or explain court orders for you. Discuss these matters with your attorney. Parties should not rely on this explanation as a determination of any legal issues under state law.

I. DEFINITIONS

“Alternate payee” means the spouse, former spouse, child, or other dependent of the participant who is entitled to receive a portion of a TRS participant’s benefits under a qualified domestic relations order.

“Domestic relations order” means a judgment, decree, or order, including approval of a property settlement agreement, issued under a state domestic relations law, which relates to the provision of child support, alimony payments, or marital property rights of a spouse, former spouse, child, or other dependent of a participant.

“Marital period” means the period between the date of marriage and the date of divorce or separation.

“Qualified domestic relations order” or “QDRO” means a domestic relations order which creates or recognizes the existence of an alternate payee’s right, or assigns to an alternate payee the right, to receive a portion of the benefits payable with respect to a participant in TRS, which TRS determines meets the TRS requirements to be administrable by TRS, and which directs TRS to make direct payments to the alternate payee.

II. PURPOSE AND USE

In many divorces, the court will order a division of retirement benefits between the spouse who is the participant of the retirement system and the spouse who is not a participant. The purpose of a qualified domestic relations order is to permit a retirement plan to make

direct payment to an alternate payee. Qualification of a domestic relations order by TRS ensures that the alternate payee will receive the portion awarded by the court at the appropriate time (usually, after TRS begins distributions to the participant).

Although a judge signs a domestic relations order, it is TRS that determines whether that order is qualified. Direct payment by TRS to an alternate payee is not possible, even if the court awards an interest in the participant's retirement benefits to the alternate payee, unless the court enters a domestic relations order that TRS determines is "qualified." A domestic relations order is a QDRO only if such order:

a. Clearly specifies:

- i. the name of the plan;
- ii. the names and last known addresses of the participant and any alternate payee(s);
- iii. the social security number, or an express authorization for the parties to use an alternate method acceptable to TRS to verify the social security number, of the participant and each alternate payee covered by the order;
- iv. the amount or percentage of the participant's benefits payable to each alternate payee or the manner in which such amount or percentage is to be determined; and
- v. the number of payments or the period to which such order applies.

b. Does not require TRS to:

- i. provide any type or form of benefit or any option not provided under the plan;
- ii. provide benefits greater than those otherwise provided under the plan;
- iii. pay any alternate payee benefits that are payable to another alternate payee under an earlier QDRO; or
- iv. pay benefits to an alternate payee before the retirement of the participant, the distribution of a withdrawal of contributions to a participant or another distribution to a participant required by law.¹

III. PLAN FEATURES

The TRS plan is a defined benefit plan established by state law for public education employees in Texas. It is administered as a qualified plan under the provisions of the U.S. Internal Revenue Code Section 401(a). Please refer to Subtitle C of Title 8, Texas Government Code, for the provisions of the plan. These statutes are supplemented by TRS administrative rules, found at 34 TAC §21.1 *et. seq.* These laws and rules describe the retirement and other benefits available and the conditions under which a TRS participant or beneficiary is eligible to receive them. The *TRS Benefits Handbook*

¹ Section 804.003 of the Texas Government Code.

summarizes the main features of the plan. It is posted on the TRS website (www.trs.texas.gov).

IV. TRS MODEL ORDER – Required Beginning January 1, 2015

TRS prepared two fillable, model orders that TRS finds acceptable and administrable. There is a model order for active employees and a different model order for retirees. Beginning with orders signed on and after January 1, 2015, TRS will accept only its model order. For orders signed before January 1, 2015, if you decide to modify the model order, all changes must meet the criteria of the QDRO statute found in Chapter 804 of the Texas Government Code and applicable TRS rules found in Sections 47.1 through 47.16 of Title 34 of the Texas Administrative Code. If the order does not meet all criteria, it will not be accepted as a qualified order, and direct payment by TRS to the alternate payee will not be possible.

V. INSTRUCTIONS FOR COMPLETING THE TRS MODEL ORDER

a. Choose the correct model order.

First, choose either the Active Employee model or the Retiree model. The language is different for each, as described below. Choose the Active Employee model if the participant is **not retired** as of the date of the divorce. Choose the Retiree model if the participant **is retired** as of the date of the divorce. To make the correct choice, you will need to know whether the participant is retired as of the date of the divorce. The effective date of a member's service retirement usually is the last day of the month in which the member applies for retirement. See Section 824.002, Texas Government Code. For example, even if the member sends the application for retirement to TRS in February but has applied for retirement to begin in May, then the last day of May is the effective retirement date. Members frequently will change their effective dates of retirement, so be sure you have accurate information on whether the member actually retired as planned. TRS usually can confirm retirement status in response to a proper written request for such information.

b. Follow instructions.

When using either model, please insert the appropriate information in the fillable blanks provided. For example, where the model order says “***(INSERT END DATE OF DIVISION)***”, you should insert the date the divorce was granted or a date earlier than the date of divorce, such as the date of legal separation, if appropriate (for example, "April 2, 2005").

When the model gives instructions in brackets, complete the fillable blank according to those instructions.

c. Instructions and explanations:

- i. Paragraph 2. Insert the participant's name and address.
- ii. Paragraph 3. Insert the alternate payee's name and address.
- iii. Paragraph 4. Insert the parties' date of marriage and the end date of division of property, which can be the date of divorce or the date of legal separation, using a month/date/year format.
- iv. Paragraph 5. Option 1 or Option 2. On pages three through five, you may select EITHER Option 1 or Option 2, but not both. An order with both options chosen will be rejected.

- Option 1. Choose Option 1 if the alternate payee's benefit is to be limited to a portion of the participant's benefit acquired by participant during the marital period. Insert the Alternate Payees' community property interest awarded by the court. The interest may be expressed as a fraction, a percentage or a decimal. Further explanation is provided in Section XII below.

OR

- Option 2. Choose Option 2 if the alternate payee's benefit is to be a percentage of the total distribution payable on behalf of the participant. This option is not limited to the marital period. Insert the Alternate Payee's interest awarded by the court. The awarded amount must be less than 100%. If 100% is designated, the order will not meet the requirements to be qualified.

v. Special instructions. More than one of the following may apply, and may limit or increase the award provided under Option 1 or Option 2, above:

○ Special instruction 1: Insert the total, maximum amount of the participant's benefit the alternate payee is to receive. Regardless of which option is chosen under Option 1 or Option 2, the alternate payee will not receive more than the total amount specified in this instruction, except that the total amount will be adjusted for interest, as provided in Section 825.307(b), Texas Government Code.

○ Special instruction 2: Insert the total, maximum amount of the participant's benefit the alternate payee may receive. Regardless of which option is chosen under Option 1 or Option 2, the alternate payee will not receive more than the total amount specified in this instruction. This amount will not be adjusted for interest.

○ Special instruction 3: Insert the maximum, monthly amount of the participant's monthly retirement annuity payment the alternate payee may receive. The alternate payee will receive the amount determined under Option 1 or Option 2, but if that amount would be greater than the amount specified in this instruction, the amount specified in this special instruction will limit the monthly amount paid to the alternate

payee.

- Special instruction 4: Choose this instruction if service credit transferred from the Employee Retirement System of Texas (ERS) to TRS at the time of distribution is to be credited at the time such service was acquired or earned (which may add additional service credit to the marital period, thus increasing the benefit provided to the alternate payee).

- Special instruction 5: Choose this instruction if the parties wish to limit the number of years of purchased service credit used to determine the number of years of service during the marital period (which may decrease the years of service otherwise used to determine the alternate payee's benefit, and thus may decrease the benefit provided to the alternate payee). It is important to know that if the participant reinstates withdrawn service credit or purchases special service credit during the marriage, the TRS plan provides that the service credit is acquired at the time of purchase, regardless of when the service was originally rendered, even if it was rendered before the marriage. TRS makes no representation that the service reinstated or purchased during the marriage is community property or was purchased with community funds, only that the plan considers the service credit acquired when it is purchased. If the parties do not intend for service reinstated during the marriage or purchased during the marriage to be used in calculating the numerator, Special Instruction 5 must be selected and the number of years of service credit to be excluded must be inserted.

- Special Instruction 6 (Active model DRO only): Choose this instruction if the parties wish to award the alternate payee a portion of a special refund. Special refund means a return of member contributions that should not have been made to TRS on behalf of the member or that were based on compensation that cannot be used in calculating TRS benefits and is refundable under the terms of the plan. Insert the Alternate Payees' community property interest awarded by the court.

- Special instruction 6 (Retiree model DRO only): If the alternate payee is the participant's spouse or former spouse and is the participant's beneficiary for an optional service annuity, choose this instruction if the parties wish to give the retiree the ability to change the optional service annuity to a standard service annuity. Changes authorized in the order must comply with the TRS plan terms and participant must submit the appropriate forms and comply with any requirements of TRS in order to effect the change of the retirement plan. If the change is effective the alternate payee will not receive the survivor annuity upon the retiree's death, and the retiree will receive a higher monthly payment that is payable only during the retiree's lifetime.

- Special instruction 7 (Retiree model DRO only): If the alternate payee is the participant's spouse or former spouse and is the participant's beneficiary for an optional service annuity, choose this instruction if the parties wish to give the retiree the ability to change the beneficiary of the optional service annuity and to designate someone else as the beneficiary of that annuity instead of the spouse or former spouse. Changes authorized in the order must comply with the TRS plan terms and participant must submit the appropriate forms and comply with any requirements of TRS in order to effect the change of the beneficiary. If the change is effective the alternate payee will not receive payment of the survivor annuity upon the retiree's death, and the

newly-designated beneficiary would receive such annuity. Designations of beneficiary are subject to certain limitations, as explained in TRS rules.

VI. OTHER PROVISIONS OF THE MODEL ORDER

- a. Division of beneficiary's payments if alternate payee survives participant.
 - i. Alternate payee is not the designated beneficiary.

Under the model order, an alternate payee will receive a portion of any benefits paid to a beneficiary when the alternate payee is not the designated beneficiary for those benefits if the alternate payee survives the participant. Paragraph No. 6(f) of the model order addresses how the benefit will be divided between the alternate payee and the beneficiary if the alternate payee is not the beneficiary.

- ii. Alternate payee is the designated beneficiary.

Paragraph No. 6(f) of the model order addresses how the payment will be divided if the alternate payee is also the designated beneficiary. Paragraph No. 6(f) recognizes the fact that in some instances, the alternate payee will be the sole designated beneficiary for some or all benefits payable upon the death of a TRS participant. If so, the alternate payee will receive the payment to which he or she is entitled as beneficiary. For example, if the alternate payee is the designated Option 1 survivor annuity beneficiary as well as the sole designated beneficiary for death benefits, the alternate payee will receive the entire amount of the Option 1 annuity plus the death benefits payable upon the retiree's death.

- iii. Alternate payee is a joint beneficiary.

Under Paragraph No. 6(f) of the model order, if the alternate payee is a joint beneficiary for a benefit, then he or she will receive the greater of the fractional amount of that benefit awarded under Paragraph No. 5 of the model order or the amount of the benefit to which he or she is entitled as joint beneficiary, but not both the fractional amount and the amount payable to alternate payee as beneficiary. For example, assume that the alternate payee is awarded what amounts to 25 percent of any benefit payable. Assume, also, that the alternate payee and the retiree's sister are joint beneficiaries for the Section 824.501 benefits. Upon the death of the retiree, \$10,000 is payable to the joint beneficiaries--\$5,000 to the alternate payee as joint beneficiary and \$5,000 to the sister as joint beneficiary. The alternate payee will not receive more than \$5,000 of this benefit, since the amount awarded to her as alternate payee (25 percent of \$10,000 = \$2,500) is less than the amount to which she is entitled as joint beneficiary (\$5,000). The alternate payee will not receive a total of 25 percent of the other beneficiary's \$5,000 plus the \$5,000 to which the alternate payee is entitled as beneficiary. She will receive \$5,000, not \$7,500. Similarly, if the alternate payee is awarded what amounts to 75 percent of any benefit

payable she would receive \$7,500 of the \$10,000; she would not receive a total of \$5,000 as joint beneficiary plus 75 percent of the other \$5,000. She would receive \$7,500, not \$8,750.

Please note that if different beneficiaries are named for different benefits, the beneficiaries are not considered to be joint beneficiaries. For example, if the alternate payee is the Option 1 beneficiary and the participant's spouse is the beneficiary for death and survivor benefits, then the alternate payee would receive the full amount of Option 1 payments plus the percentage of the death and survivor benefits as specified in Paragraph No. 5 of the model order. The Option 1 service retirement annuity payable after the death of the retiree is not the same kind of benefit as the survivor benefits payable after the death of the retiree, and different beneficiaries for the two different benefits are not considered to be joint beneficiaries. Only when there is a true joint beneficiary situation does the amount received by alternate payee as a joint beneficiary operate as a credit against the amount of the entire benefit that the alternate payee is to receive under Paragraph No. 5 of the model order.

b. Participant is not required to designate a certain beneficiary.

Under the QDRO statute and applicable TRS rule, TRS will not accept an order as a qualified order if it requires the TRS participant to designate a certain person (such as the former spouse) as the beneficiary. Section 804.003(g)(2), Texas Government Code, and 34 TAC §47.10(3)(A).

c. Participant is not required to select a particular benefit payment plan or option.

Under the QDRO statute and applicable TRS rule, TRS will not accept an order as a qualified order if it requires the TRS participant to elect a specific retirement plan option. Section 804.003(g)(3), Texas Government Code, and 34 TAC §47.10(3)(B).

d. Post-distribution benefit increases or decreases.

Paragraph No. 6(g) of the model order explicitly awards the alternate payee a proportionate share of any post-distribution benefit increases or decreases. This is because a percentage increase granted by the Legislature applies to the whole amount of the benefit, not just to the amount of the benefit attributable to the service and salary before or after the marriage.

TRS retirees may receive benefit increases based on legislative action. In recent years the increases have been enacted in the form of percentage increases, with different percentage increases established for different retirees based on the different dates of retirement. However, past increases have taken the form of a fixed dollar amount per month for each year of retirement, a new minimum level of benefits based on a fixed dollar per month for each year of service, or the greater of either an increase calculated as a percentage of benefits or an increase calculated by new computation of a benefit under

an improved formula. In short, the history of benefit increases makes it impossible to predict what the nature of any future increase may be.

e. Election to receive an amount in lieu of the interest awarded by the order.

Although the TRS Board has not adopted rules that would allow the court to order the payment of a separate annuity to the alternate payee, the Legislature provided in Section 804.005, Texas Government Code, an opportunity for the alternate payee to elect to receive an annuity in lieu of the interest awarded in the QDRO. Section 804.005 allows the alternate payee to elect in writing to receive a benefit that is the actuarial equivalent of the alternate payee's portion of the participant's accrued benefit determined at the time of the election and paid in equal monthly payments for the life of the alternate payee. Paragraph No. 6(h) of the model order includes related provisions. The alternate payee may make the election if:

- i. There is an approved QDRO awarding the alternate payee a portion of the participant's benefit;
- ii. The participant is at least 62 years of age;
- iii. The participant is eligible to retire without reduction for early age;
- iv. The participant has not yet retired; and
- v. The alternate payee notifies TRS in writing of the election.

The payment to the alternate payee under this section is in lieu of the benefits awarded under the QDRO. When a distribution is made on behalf of the participant, the alternate payee will not receive any portion of those benefits, including any lump-sum distributions under DROP or PLSO. Likewise, the alternate payee will not receive any portion of any death benefits when the participant dies. However, the alternate payee under this election is assured of an annuity for life, without regard to the type of retirement benefit selected by the participant, without regard to any post-retirement employment, and without regard to how long the participant lives.

The calculation of the amount payable to alternate payee is determined by TRS based on the requirements of Section 804.005, Texas Government Code and 34 Tex. Admin. Code §47.17. Unlike the benefits payable under the QDRO, there is no reversion to the participant at the death of the alternate payee of the amount payable to the alternate payee.

VII. THE ORDER MUST BE SIGNED BY A JUDGE

When you and your attorney use the model order, the attorneys for the parties should prepare a proposed order with the specific information called for in the model (for example, names, dates, and elected options and special instructions). You will need to obtain the approval and signature of a judge on the proposed order after a hearing or settlement by the parties.

VIII. WHAT TO SEND

a. Domestic relations order.

After the judge has signed the order, one of the parties or attorneys should send a certified copy to TRS. You are not required to identify your employer (for example, Houston Independent School District) and you should not send a copy of the domestic relations order to your employer. Send the order to TRS at the following address:

Legal Services
Teacher Retirement System of Texas
1000 Red River Street
Austin, Texas 78701-2698

A certified copy must be obtained directly from the clerk for the court that granted the divorce. You must send TRS a certified copy of the order, not a copy of a certified copy. A certified copy bears the original certification of the clerk of the court indicating that the clerk has reviewed the original order and certified that the copy is a true and correct copy of the order signed by the judge. Because state law requires that TRS review only certified copies, TRS cannot accept a conformed copy or a "file-stamped" copy.

Do not send the domestic relations order dividing TRS benefits to the participant's employer/school district with the expectation that the employer will forward it to TRS. The employer is not authorized to receive the order on behalf of TRS and if the participant's employer fails to forward the order to TRS, TRS will not know that the benefits for a participant have been divided. Discuss these matters with your attorney to make sure that the right documents go to the right place.

b. Divorce decree.

TRS does not need to receive a copy of the decree of divorce if the domestic relations order is prepared as a separate order.

c. Child support.

Please note that TRS does not administer wages. Thus, if the divorce decree or another separate order has provisions for the withholding of wages for child support, the party who is to receive the support payments should arrange for that document to be sent to the employer, such as the school district, in the manner required by law. However, if the participant is receiving a monthly benefit from TRS, request the clerk of the court to send the child support withholding order to TRS. Please do not send child support orders to TRS unless they apply to TRS (for example, when TRS is the participant's actual employer) or when the TRS participant has retired and the withholding order applies to that person's retirement payments).

IX. TRS REVIEW PROCEDURE

When TRS receives the certified copy of the domestic relations order, TRS will review the order to determine whether it meets all criteria established by law and rule to be a QDRO. If it does, the order is a qualified order. The law requires TRS to complete this review, even if you have used the TRS model order. TRS will notify both parties and their attorneys in writing of its determination.

a. TRS Determines the Domestic Relations Order is a QDRO.

When a domestic relations order is determined to be a QDRO, TRS is authorized to make direct payment to the alternate payee as required by the order. However, TRS will not make payment to the alternate payee until an amount or benefit becomes payable to the TRS member, retiree, or beneficiary under applicable laws and rules (such as upon withdrawal (refund), retirement, or death of the TRS participant). An exception to this rule is provided in Section 804.005, Texas Government Code, and is described above under the Article entitled "Other Provisions of the Model Order." Under this limited exception, TRS may make payment to the alternate payee before payment is made on behalf of the participant if the participant is at least 62 years of age and otherwise eligible to retire without reduction for early age.

b. TRS Determines the Domestic Relations Order is not a QDRO.

If TRS determines that the order is not a qualified order, the parties and their attorneys will be notified in writing that the order is not qualified and the basis for the determination. The parties may return to court to obtain a revised order that TRS can administer, or the parties may choose some other method of distributing the benefit to the former spouse after the benefit is paid on behalf of the participant. If TRS does not subsequently receive an amended order that it determines is qualified, TRS will pay only the TRS participant or beneficiary without further notification to the former spouse when benefits become payable. The determination letter is the final notice to the former spouse that TRS cannot make any payment to him or her. If a distribution is made by TRS, the alternate payee must seek payment directly from the participant or the participant's beneficiary according to the court's order.

c. Submission of Revised Domestic Relations Order.

There is no time deadline for returning to court to obtain a revised order. The court that rendered the final decree of divorce or other order dividing property retains continuing jurisdiction to render a domestic relations order that is a qualified order. See Section 9.101, Texas Family Code, *et. seq.* However, until TRS receives an amended order and determines that it is a qualified domestic relations order, any benefits or amounts that become payable will be paid only to the TRS participant or beneficiary. If the entire amount payable by TRS to the participant or beneficiary is paid out (such as a refund) prior to the time TRS receives a revised order, TRS will be unable to pay any amount to the former spouse, even if the new order is a QDRO. For this reason, it may be advisable for the former spouse to file a motion for an amended order as soon as possible and

inform TRS in writing of the filing and any subsequent court action on the motion.

If the court enters an amended order, a certified copy of the order should be forwarded to TRS so that TRS may review the order and determine if the order is qualified. As with the original domestic relations order, TRS will review the domestic relations order and determine if it meets the statutory and rule requirements to be a QDRO. The parties and their attorneys will be notified of the results of the review.

X. OTHER TRS ACTIONS A PARTICIPANT MAY TAKE AFTER A DIVORCE

a. Designate a new beneficiary for death benefits.

Whether benefits are divided or awarded entirely to the TRS participant, the participant should provide TRS with a new designation of beneficiary after divorce or any other change in family circumstances. A divorce does not automatically revoke the former spouse as beneficiary of the death benefits payable by TRS. See Section 824.101 (g) of the Texas Government Code. To revoke the former spouse as beneficiary of any death benefits, TRS must receive a certified copy of the divorce decree before any death benefit is paid. If TRS does not receive a certified copy of the divorce decree between the participant and the former spouse designated as beneficiary, TRS will make payment to the former spouse. If the TRS participant wants to continue to name the former spouse as beneficiary for any death benefits, the participant should complete a new designation of beneficiary form to ensure the benefits will be paid as desired. The Change of Beneficiary form is available on the TRS website (www.trs.texas.gov), in the “forms” section. The participant may also contact TRS and request the appropriate form.

b. Designate a new beneficiary for retirement plan Options 1, 2, or 5.

Please note that payments of the continuing optional annuities, such as the joint and survivor annuities paid under Options 1, 2, and 5, are not death benefits. The spouse or former spouse is not revoked as beneficiary of these annuities by TRS’s receipt of the certified copy of the divorce decree.

If the participant retired prior to the divorce, named the former spouse as beneficiary of one of the joint and survivor annuities (Option 1, 2, or 5), and wants to change the beneficiary, TRS plan terms permit the participant to change the beneficiary one time. If the beneficiary is the spouse or former spouse of the participant, the spouse or former spouse must consent to the change in writing on a form provided by TRS, or a court with jurisdiction over the marriage must specifically order the change. The participant must also complete the appropriate change of beneficiary form because the court order does not change the beneficiary. See Section 824.101(f), Texas Government Code. Contact TRS for the appropriate form. The form must be received by TRS prior to the death of the participant. Careful consideration should be given to the advisability of changing the beneficiary of the joint and survivor annuities because TRS will only pay benefits to the new beneficiary for the shorter of the life of the new beneficiary or the remaining life expectancy of the original beneficiary. See Section 824.1013(b), Texas Government

Code. If the participant outlives the remaining life expectancy of the original beneficiary, it is possible that the new beneficiary would not receive any benefit, even though the participant took a reduced annuity for the entire retirement period.

c. Designate a new beneficiary for retirement plan Options 3 or 4.

Annuity payments made by TRS to a beneficiary for a guaranteed period under retirement Options 3 and 4 are not death benefits. A spouse or former spouse designated as beneficiary of one of these retirement plans is not revoked as beneficiary by TRS's receipt of a certified copy of a divorce decree.

If the participant retired prior to the divorce, named the former spouse as beneficiary of one of the guaranteed periods (Options 3 or 4), and the guaranteed period has not expired, the participant can change the beneficiary at any time and any number of times. The change of beneficiary must be made on the appropriate TRS change of beneficiary form. The completed form must be received by TRS prior to the participant's death.

d. Change the retirement plan from Option 1, 2, or 5 to a standard annuity.

In general, once the participant selects a retirement plan, retires, and begins receiving a monthly annuity, the type of retirement plan cannot be changed. However, the plan terms allow a retiree (service or disability) who selected a joint and survivor annuity (Option 1, 2, or 5) and who named a spouse as beneficiary to cancel participant's Optional Annuity selection and return to a standard annuity. Generally, standard annuity payments are higher each month because the participant takes a reduced monthly payment in exchange for the survivor annuity benefit provided under Options 1, 2 and 5. If the beneficiary is the spouse or former spouse, the beneficiary may consent to the change on a form provided by TRS and filed with TRS. In the alternative, a court in a divorce proceeding between the participant and the beneficiary may approve or order the change in the divorce decree, domestic relations order, or property settlement. For the plan change to become effective, TRS must receive the appropriate plan change form (available from TRS) prior to the death of the participant. The participant is eligible to begin receiving the standard annuity amount beginning with payment for the month following the month TRS receives the plan change form, provided the appropriate documentation is also submitted to TRS. The appropriate forms for changing the plan and consenting to the plan change are available from TRS.

XI. TYPES OF BENEFITS DIVIDED

The model order awards the alternate payee a portion of each type of service or disability retirement benefit, death or survivor benefit, and/or a return of accumulated contributions that might be made by TRS. See Paragraph No. 5, beginning on page 2 of the model order. For example, if the participant withdraws his or her TRS account instead of retiring, the alternate payee would receive a portion of the withdrawn amount, not a portion of a retirement benefit. If the participant dies, the alternate payee would receive a portion of the death benefits.

a. Service or disability retirement benefits.

Under Paragraph No. 5 of the model order, the alternate payee is awarded a portion of **service retirement benefits** (Subchapter C of Chapter 824, Title 8, Texas Government Code) or **disability retirement benefits** (Subchapter D of Chapter 824, Title 8, Texas Government Code), if, as, and when such benefits are paid to the retiree. The alternate payee does not begin to receive payment until the retiree does, even if the member is eligible to retire but has not retired. The only exception to this requirement is if the participant is at least 62 years of age and is otherwise eligible to retire without reduction for early age. See Section 804.005 of the Texas Government Code, and the Article entitled "Other Provisions of the Model Order" in this explanation. If the retiree chooses a standard annuity that pays the retiree the maximum benefit possible during the life of the retiree and at the retiree's death no further monthly amounts are payable, the payments to the alternate payee will cease. If the retiree selects a service retirement benefit that continues to pay a beneficiary after the death of the retiree and the TRS model order is used, if the alternate payee survives the participant, the alternate payee will receive a portion of any payments made to the beneficiary, as well as a portion of any payments made to the retiree during the retiree's lifetime. Note that monthly annuity payments made after the death of the participant under retirement options such as the joint and survivor annuities (Options 1, 2, and 5) and the guaranteed period options (Options 3 and 4) are retirement benefits, not death benefits.

b. Deferred Retirement Option Plan (DROP).

If the participant elects to participate in the DROP, Paragraph No. 5 of the model order directs that TRS pay a portion of any DROP distribution to the alternate payee. See Subchapter I of Chapter 824, Title 8, Texas Government Code. Note that amounts held in a TRS participant's DROP account are deferred annuity payments based on all salary and service credit at the time the DROP participation begins and are distributed to the participant as a retirement benefit. The alternate payee will receive the awarded portion of the DROP distribution if, as, and when the distribution is payable on behalf of the participant. The form of the payment (lump sum or monthly or yearly distributions) depends on the election made by the participant. Payments to the alternate payee are in the same form as payments made on behalf of the participant. The alternate payee will receive the ordered portion of this benefit even if the retiree began participation in DROP after the marriage between the parties ended.

c. Partial Lump Sum Option (PLSO).

The TRS plan also allows the participant at retirement to elect to receive 12 months, 24 months, or 36 months of a standard annuity in a lump-sum payment if the participant meets certain requirements. The annuity payable to the participant and any beneficiary is actuarially reduced to reflect such lump-sum payments. Paragraph No. 5 of the model order awards the alternate payee a portion of this retirement benefit. The PLSO distribution may be made in one payment or yearly payments, depending on the election made by the participant. Payments to the alternate payee are in the same form as payments made to the participant.

d. Death or survivor benefits.

Under Paragraph No. 5 of the model order, the alternate payee also is awarded a portion of any **death or survivor benefits**, (Subchapters E and F of Chapter 824, Title 8, Texas Government Code), if, as, and when payable.

i. Retirees.

The death benefit paid on behalf of TRS service retirees is a lump-sum payment of \$10,000. In lieu of the \$10,000 lump-sum benefit, eligible beneficiaries may elect to receive a lump-sum benefit of \$2,500 plus an appropriate monthly annuity. TRS will also pay a lump-sum amount to the beneficiary or the estate of the beneficiary in the amount by which the deceased participant's accumulated contributions exceed the amount of annuity paid to the participant and any beneficiary. Beneficiaries of disability retirees who had at least 10 years of service credit at the time of retirement are eligible to receive death benefits in the same amount as service retirees. Beneficiaries of disability retirees who had less than 10 years of service credit at the time of retirement and die while receiving a retirement annuity are eligible to receive the \$10,000 lump-sum death benefit.

ii. Active Members.

Beneficiaries of participants who die while active members of TRS may elect from the benefits authorized in Section 824.402, Texas Government Code, including a lump-sum death benefit in the amount of twice the participant's compensation for the year in which the death occurred, not to exceed \$80,000.

iii. Beneficiary choice of form of payment.

In cases in which the beneficiary may choose the form of benefit payment (for example, lump sum or monthly annuity), the form of payment to the alternate payee will depend on the choice made by the beneficiary. Payment will be made to the alternate payee in the form of a portion of the payment or payments that are made to the beneficiary.

e. Accumulated contributions.

Paragraph No. 5 of the model order awards to the alternate payee a portion of any withdrawn accumulated contributions. See Section 822.005, Texas Government Code. A refund of these contributions is not payable until the member terminates service and applies to withdraw his or her account. (Note that a member may terminate service but choose not to withdraw his or her account.) Payment to the alternate payee of a portion of a refund is instead of a portion of any other benefits or amounts. This is true even if the participant returns to TRS-covered employment in the future, reinstates the service credit for the years of service during the marriage, and later receives a monthly benefit based on the reinstated service credit. See 34 TAC §47.13. For example, if a member with \$10,000 in accumulated contributions terminates service and withdraws his account,

TRS will review the QDRO to determine the portion to be paid to the alternate payee. TRS will divide the \$10,000 as the QDRO requires (for example, if the award to the alternate payee is 50% under Option 2, TRS will pay \$5,000 to member and \$5,000 to the alternate payee). If the former participant later returns to TRS-covered employment and becomes a member of TRS again, the alternate payee will not receive any portion of future retirement benefits, death benefits, or any other amount that may be paid by TRS on behalf of the participant.

f. Special refund.

If Special Instruction 6 of the Active model DRO is elected, the alternate payee will receive a portion of a special refund. A special refund is one made in circumstances other than a termination of service and refund of the entire amount of accumulated contributions in the participant's account. For example, if ineligible compensation like a car allowance or payment for accrued leave is reported to TRS and member contributions are forwarded to TRS on the ineligible compensation, TRS will refund the contributions on the ineligible compensation when the error is discovered. This is called a special refund.

XII. HOW BENEFITS ARE DIVIDED

a. Option 1.

If Option 1 of the model DRO is selected, the alternate payee's benefit is limited to a portion of the participant's benefit acquired by participant during the marital period. Option 1 attempts to eliminate the effect that salary increases and additional years of service credit after a divorce could have on the amount awarded to the alternate payee. The alternate payee's portion of the distribution is determined by multiplying the community property interest awarded by a ratio of community property to total interest of the participant, as follows:

$$\text{CP awarded} \times \frac{\text{CP Ratio (standard annuity based on salary and service during the marriage)}}{\text{(standard annuity based on salary and service at time of distribution)}} \times \text{Distribution payable}$$

- i. "Community property award" means the portion of the community interest awarded by the court, which may be expressed as a fraction, a percentage or a decimal.
- ii. "Community property ratio" means a "standard annuity" ratio, which is a ratio based on two calculations of a normal age standard annuity (one for the numerator and one for the denominator). The ratio, when multiplied by the community interest award, results in a percentage that can be applied to any kind or form of distribution of benefits by TRS. The standard annuity calculations simply provide the numerator and denominator for the ratio that establishes the extent of the community interest in the participant's TRS account, regardless of the nature or form of the benefit payment that is eventually made.

- iii. “Numerator” means the amount of the benefits expressed in terms of a normal age standard annuity (not reduced for early age) based only on service and salary during the marriage. Unlike a ratio expressed in the number of years of service credit that values each year equally, the formula in Option 1 of the model DRO calculates a benefit based on the actual salaries earned during the marriage. If the divorce occurs early in the participant’s career, when salaries are usually lower, the alternate payee does not benefit from the higher salaries usually earned later in the participant's career. In the event that the participant has not accrued enough service to be eligible for an annuity, the model order indicates how the standard annuity may be calculated. If the member does not have enough salary history to calculate the highest average salary, the model order indicates that the average is to be calculated with fewer years of salary history than specified by applicable laws and rules. Please note, if there is not sufficient service rendered during the marriage to result in a creditable year, the numerator will be 0 and the distribution to the alternate payee will be 0. See 34 TAC Section 25.131 for information regarding the amount of service required to earn a creditable year of service.
- iv. “Denominator” means the amount of the benefits expressed in terms of a normal age standard annuity (unreduced for early age) based on total service and salary at the time a distribution becomes due. A standard annuity will be calculated even if the participant did not retire, but died before retiring or withdrew (refunded) the accumulated contributions. In that event, the standard annuity is calculated as if the participant retired in the month in which the death or refund occurred.
- v. Distribution restrictions. Unless a distribution is payable by TRS when the order is entered, neither the parties nor TRS can know what the dollar amount of this element will be in the future when benefits become payable. Note that the third element of the formula may consist of any type of benefit or amount payable by TRS. The percentage derived from multiplying the community interest awarded (step one) to the community property ratio (step two) is simply applied to the amount of benefit payable, whether a lump sum or a monthly annuity. The selection of Special Instruction 5 will impact the ratio; please review it carefully.

b. Option 2 of the model DRO.

If Option 2 of the model DRO is selected, the alternate payee’s benefit is a percentage of the total distribution payable on behalf of the participant. It is *not* limited to a percentage of benefits accrued only during the marriage. Option 2 does *not* eliminate the effect of

salary increases or additional years of service credit acquired after the divorce could have on the amount awarded to the alternate payee. This division of benefits may result in a distribution of Participant's separate property to the Alternate Payee. By selecting Option 2, the parties acknowledge the award of separate property and agree to the distribution. The alternate payee's interest awarded by the court should be inserted in the order. The awarded amount must be less than 100%. If 100% is designated, the order will not meet the requirements to be qualified.

XIII. BENEFITS NOT AVAILABLE

a. Lump sum or separate life annuity.

Paragraph No. 6(h) of the model order is based on a statutory provision, Section 804.004, Texas Government Code, which allows payment of a lump sum or a separate annuity to the alternate payee only if the TRS Board of Trustees has so provided by rules and in its discretion has determined that such payment is appropriate. To date the TRS Board has not adopted rules to provide for such payment. Therefore, TRS will not accept an order as a qualified order if it requires TRS to make a lump-sum payment to the alternate payee or to establish a separate life annuity for the life of the alternate payee.

b. Continued payment after the death of the alternate payee.

Paragraph No. 6(i) of the model order states that the interest of the alternate payee is governed by Section 804.101, Texas Government Code. This law currently provides that the death of an alternate payee terminates the interest of the alternate payee in the public retirement system. This means that when an alternate payee dies, no additional amounts will be paid to the alternate payee's estate, even if the TRS participant or beneficiary will receive (or continue to receive) payments from TRS in the future and even if alternate payee died before ever receiving any payments. Except under an election by the alternate payee for a benefit under Section 804.005, the alternate payee's interest reverts to the participant at the death of the alternate payee.

c. Immediate Payment to alternate payee.

Even if the order is a qualified domestic relations order, no payment will be made to the alternate payee until an amount is payable to the TRS participant or beneficiary. A qualified domestic relations order does not entitle the alternate payee to immediate payment of the portion of the benefit awarded to him or her by the court. TRS emphasizes that Paragraph No. 5 of the model order **does not** entitle either the TRS participant or the alternate payee to withdraw any part of a TRS account immediately after the divorce.

d. Segregation of alternate payee's portion.

Paragraph No. 5 of the model order does not allow an amount awarded to the alternate payee to be segregated into a separate account for the alternate payee. The TRS plan has no provision to allow segregation, even if the alternate payee is also a TRS member.

XIV. SPECIAL SITUATIONS

This model does not attempt to cover every situation to which the QDRO statute may apply. It is based on the most common situation, a divorce, in which TRS benefits are divided by a court and a portion of the benefits is awarded to the spouse or former spouse of a TRS participant.

a. If the parties participate in different retirement plans.

Please note that this model is specific to TRS. Other retirement plans may not accept an order based on this model. If the court will be dividing benefits from more than one plan (for example, the husband's TRS benefits and the wife's benefits from her employment with a private company), you may use this model for the division of TRS benefits, but you should contact the other benefit plan for information on how to draft an order to divide the other benefits. Many plans have their own required model orders. Also, if one of the parties is a participant in the "Optional Retirement Program" (ORP) for higher education employees, but is not a TRS participant, contact the participant's applicable annuity or investment carrier for information. To obtain the name and address of the participant's carrier, you should contact the employer or the participant, not TRS. Use this model only when TRS retirement benefits of one or both parties are being divided.

b. If both parties participate in TRS.

If both parties are TRS participants, a QDRO is needed if one participant is awarded any part of the other participant's account or benefits. A separate order is needed for each of the accounts if both accounts are divided and each spouse is awarded a portion of the other's account. TRS cannot simply transfer money from one participant's account to the other participant's account after divorce.

c. More than one divorce.

This model order may be used if the TRS participant has a previous divorce that also affects the participant's TRS benefits. TRS can administer both orders, provided the subsequent order does not attempt to require TRS to pay benefits to the second alternate payee that are required to be paid to the first alternate payee. Please contact TRS for additional information if these circumstances exist.

d. Remarriage to the alternate payee.

If the participant and the alternate payee remarry each other, the QDRO stays in effect. Remarriage to the alternate payee does not nullify the QDRO. If the participant and alternate payee want the QDRO nullified, the parties must return to the court that entered the original order and obtain an order from the court that withdraws or supersedes the QDRO. It is not sufficient for one or both of the parties to notify TRS that they agree to nullify the QDRO.

e. When the alternate payee is not the former spouse.

Paragraph No. 1 on page 1 of the model assumes that the "alternate payee" is the spouse or former spouse of the participant. However, under the definition of some terms in the QDRO statute, such as "alternate payee" or "domestic relations order," the statute may apply to other kinds of domestic relations proceedings in which there has been a division of benefits payable by TRS and one or both parties wish to have TRS make direct payment to a non-participant. More specifically, a dependent child may be an alternate payee when the QDRO is used to award child support on behalf of the child. Using a QDRO to provide child support may be helpful when a lump-sum payment, such as a death benefit or a refund, is made and a child support withholding order is not appropriate. Also, a current spouse may be the alternate payee when a partition or other domestic relations proceeding is appropriate.

Attorneys using the QDRO statute for situations other than determining the marital property rights of a spouse or former spouse in a divorce situation should not use the fillable model and should modify the language in this model as necessary. Assistance in understanding plan options available to such situations is available by contacting the Legal Services Department of TRS.

f. If the retiree returns to work for a TRS covered employer.

The TRS plan terms allow a TRS retiree to work after retirement without limitation for any employer, including self-employment, except a TRS-covered employer. If the retiree returns to work for a TRS-covered employer or in limited circumstances for a third-party entity providing personnel to a TRS-covered employer, the retiree is limited in the amount of time he or she may work without forfeiting the monthly retirement annuity. If the retiree exceeds the limit on the amount of time the retiree is allowed to work and a monthly annuity is forfeited, payments to the alternate payee will also not be made. TRS does not notify the alternate payee that the retiree exceeded the limits on employment after retirement and the annuity is forfeited.

XV. REPORTING TO IRS

If TRS makes separate payments under a QDRO to the TRS participant and alternate payee, it will report those payments to the Internal Revenue Service separately for each party. Amounts paid by TRS to both the participant (or beneficiary) and to the alternate payee generally are taxable. Certain portions of payments that represent amounts contributed to TRS with after-tax dollars may be non-taxable to the extent allowed by the Internal Revenue Code. TRS provides general information on the taxability of benefits when any payment begins, as well as information on the portion that may be non-taxable (investment in contract). When a portion of benefits or payments is being paid to an alternate payee, then under the Internal Revenue Code the alternate payee may take advantage of a proportionate part of the non-taxable amount. Both the participant and the alternate payee should consult their tax advisors to determine the proper allocation of any non-taxable portion of benefits and the taxability of amounts received.

You may wish to discuss IRS Publication 575 and the following sections of the Internal Revenue Code with your tax advisor: §72(m)(10) (allocation of investment in contract between alternate payee and participant); §402(a)(6)(f) (rollovers); §402(a)(9) (alternate payee as "distributee" subject to tax); and §414(p)(11) (tax treatment of distributions from governmental plan pursuant to a QDRO, though provisions of §414(p) are generally inapplicable to governmental plans). Also, both parties should discuss with their tax advisors any penalty for any early withdrawal of funds, such as a refund, and to whom the IRS will assess that penalty. Advice should be sought particularly if parties are contemplating an award of all of the account to the alternate payee. While TRS will attempt to provide information that will assist each party in determining his or her tax liability on payments received from TRS, it ultimately is the responsibility of each payee to be sure that taxable payments are correctly reported on his or her tax return.

XVI. REQUESTS FOR ACCOUNT INFORMATION

a. Alternate payee or an attorney for either party.

If you are the spouse or former spouse of a TRS participant, or are the attorney representing either the participant or spouse or former spouse, Section 825.507, Texas Government Code, allows you to obtain information on the participant's account or benefits if TRS determines that the requested information is relevant to the spouse's interest in the member account, benefits, or other amounts payable by TRS. You or your attorney must submit a written request identifying the participant by name and social security number, your relationship to the participant, the date of the marriage, what information you are requesting, and how the requested information relates to your interest. If your attorney is submitting the request, he or she also should include a statement of representation and a State Bar number. The request should identify the period of time you are interested in (for example, "from the date of the marriage June 4, 1985 through the date of separation July 17, 2004"). **There is no need to have a subpoena issued in order to obtain the information.** If you include in your request that you need a certification by the TRS custodian of records or a business records affidavit from the TRS custodian of records, TRS will provide the request certification without the need for a subpoena.

b. Participant.

If you are the participant and need information, you should submit a written request with your name, social security number, what information you are requesting, the period of time you are interested in, the address to which the information should be mailed, and your signature. If a new address is given, indicate whether it is a permanent change of address that TRS may use for all future mailings of newsletters, annual account balances, and similar information. If your attorney is sending the request, he or she should include a statement of representation and a State Bar number in lieu of your signature. If you are requesting a permanent change of address, TRS asks that you sign the request yourself rather than having your attorney do so.

Please discuss the need for information from TRS with your attorney very early. **You should submit a request for information at least four weeks before the information will be needed for trial or settlement.**

c. Value of the benefit.

When a TRS participant is involved in a divorce proceeding, TRS usually is asked by one or both parties to provide information on the "value" or "present value" of the account of a member or on the "value" of a retiree's benefits. The determination of the "value" of an account or benefits is a subjective process based on several assumptions. For this reason, TRS cannot provide a determination of the "value" or "present value" of an account or benefits, nor is such a determination needed for the model order. If you wish to obtain a valuation, you must consult with a private actuary or other expert witness who can provide advice or testimony on this matter. You should discuss with your attorney the need for and cost of such expert assistance.

d. Information TRS provides.

TRS provides the parties with specific, objective information such as the balance in the participant's account at the time of the divorce, the amount of member contributions during the marriage, the amount of interest attributable to the marriage, or a retirement estimate based on current service credit and salary. TRS will not provide estimates based on projected or assumed service credit and salary changes. If you wish to calculate such estimates, you may do so by using the basic standard annuity benefits formula: $2.3 \text{ percent} \times \text{years of service credit} \times \text{average of best five years' salaries (three years' salaries if grandfathered)} = \text{annual normal age standard annuity}$. To calculate the monthly annuity divide the annual amount by 12.

i. Account balance.

TRS also is frequently asked whether a member's account balance includes the state's contribution. It does not, and TRS cannot provide information on the state's contribution with respect to an individual member. State contributions are paid based on the aggregate of creditable compensation for all contributing TRS participants. A TRS member is not entitled to withdraw or otherwise receive a lump-sum payment of state contributions. For this reason, TRS does not maintain a ledger in the member's file showing the state's contributions. The account balance that TRS can provide shows only the member's contributions and any credited interest.

ii. Defined Benefit.

Although member and state contributions, as well as the investment earnings on these amounts are used to fund a participant's retirement and death benefits, the amount of the benefit paid by TRS is not based on the amount contributed on behalf of the participant. Rather, the amount of the benefits is "defined" by statute as indicated in the type of plan, defined benefit plan, established for TRS. For this reason there is not a dollar for dollar correlation between the total amount of contributions (state and member) and the total

benefits that might be paid. It is also because of the nature of the plan that the amount awarded to the alternate payee who is also a TRS member cannot simply be transferred to the alternate payee's account.

e. Information needed when using the TRS model order.

If you are using the model order to divide benefits, you do not need any retirement estimates or account information to complete the order. If you wish to have TRS estimate the dollar amounts that will ultimately be used in the calculations called for in the order when benefits are to be divided, please remember that TRS will not use projected or assumed salaries and service credit. The estimates that TRS could provide for the numerator, denominator, and benefit payable would be based only on service credit and salaries as of the date you request the estimates. Once again, if you wish to project benefits using assumptions of additional service credit and future salary increases, you may do so yourself using the basic normal age standard annuity formula provided above. Also, remember that any retirement estimates provided by TRS are subject to change at time of retirement, when TRS verifies and adjusts as necessary the service credit and reported salaries.

XVII. DIVISION NOT REQUIRED BY TRS

Please be aware that TRS does not require division of TRS benefits in a divorce or otherwise. It is the court that makes the property division according to the laws of the State of Texas. In some cases, the parties may prefer not to divide the TRS benefits (for example, if both parties have retirement plans of comparable value or if the TRS participant "gives up" some other asset of similar worth in order to be able to keep the entire amount of the TRS benefits). TRS suggests that you discuss property-division alternatives with your attorney. If TRS benefits are not divided, the decree of divorce should specifically state that all TRS benefits are awarded to the TRS participant. Usually, it will not be necessary to send a copy of the decree to TRS if benefits are not divided. However, if the spouse of the participant previously contacted TRS to make a claim to part of the participant's benefits while the divorce proceedings were pending, please send TRS a copy of the decree, or both parties should inform TRS in writing of the final award of the benefits made by the court. If a temporary restraining order (TRO) was entered that prevented the participant from making any elections regarding the TRS benefits, please provide documentation indicating that the divorce proceeding is over and the TRO is no longer in effect to TRS as soon as possible.

If the court divides the TRS benefits and the parties want TRS to make direct payment to the alternate payee, the division must be one that TRS can administer and that is compatible with the TRS plan. Because many courts and attorneys are not familiar with the TRS plan, it has been difficult for them to prepare orders that TRS can administer when benefits become payable. The intent of TRS in requiring this model is to provide an order TRS is able to administer. It is not the intent of TRS to encourage or require the division of TRS plan benefits.

XVIII. APPLICABLE LAW

The QDRO statute applicable to TRS is Chapter 804, Texas Government Code. Attorneys should note that the QDRO provisions of the federal Employee Retirement Income Security Act (ERISA) are **not** applicable to TRS because TRS is a governmental plan. Section 4(b)(1) of ERISA, 29 U.S.C. §1003(b)(1); Dyer v. Investors Life Insurance Company of North America, 728 S.W.2d 478 (Tex. App.--Fort Worth, 1987; writ ref'd n.r.e.). Also, the QDRO requirements of Section 414(p) of the Internal Revenue Code are not applicable, with the exception of Section 414(p)(11).

XIX. APPLICABLE TRS RULES

The TRS Board of Trustees adopted QDRO rules to supplement the QDRO statute. They are found in TRS rules Sections §§47.1 through 47.16 of Title 34 of the Texas Administrative Code. The Texas Administrative Code ("TAC") is published by Thomson Reuters under the authority of the Texas Secretary of State. It is the official compilation of rules and regulations adopted by the various departments, agencies, and commissions of the State of Texas, including TRS. Many public law libraries have a copy of the Texas Administrative Code. The applicable laws and rules may be accessed through the TRS website (www.trs.texas.gov) by going to the publications section on the TRS website.

XX. ADDITIONAL RESOURCES

Additional information about TRS is available on the TRS website (www.trs.texas.gov). Helpful information describing the plan is located in the *TRS Benefits Handbook*, which is posted under the publications section of the TRS website. After logging in to *MyTRS*, members also have access to a calculator that may be used to estimate the amount of annuity payable by TRS based on the salary and service credit information provided.

XXI. CONCLUSION

TRS hopes that these comments will help you and your attorney better understand the model order and the TRS plan and procedures. However, this explanation provides general information only. Questions regarding specific problems should be directed to the TRS legal staff in writing.