1) **What is a “Domestic Relations Order” (DRO)?**
A court judgment, decree or order, including a court-approved property settlement agreement, related to child support, alimony or marital property rights for the benefit of a spouse, ex-spouse, child or other dependent of a plan participant and which is made pursuant to a state domestic relations law (including a community property law). A Domestic Relations Order (“DRO”) becomes a “QDRO” when the Plan Administrator determines it has met qualification requirements as required by law.

2) **Who are the people involved?**
The Participant - the employee from whose account the court is awarding a payment. The Alternate Payee - the person, often the ex-spouse, benefiting from the court award. The Plan Administrator – the employer, or the party designated in the Adoption Agreement (not JULY).

3) **What is a “QDRO”?**
A "qualified domestic relation order" (QDRO) is an order that recognizes the alternate payee’s right to receive all or part of the participant’s retirement plan benefits. The QDRO is required by law to include certain information and to meet specific requirements.

4) **Who can benefit from a “QDRO”?**
A QDRO may grant ownership in the participant’s retirement plan to an Alternate Payee, who must be a spouse, ex-spouse, child or other dependent of the participant.

5) **A Participant is divorcing, what do I do?**
When you as Plan Sponsor become aware a divorce may be pending and that an employee’s retirement plan account may become subject to a QDRO, you should contact your Client Service Manager at JULY to suspend processing of any retirement plan distributions or loans. At your request we will be glad to send you QDRO Sample Language. You should instruct your participant/employee to complete a new beneficiary form when the divorce is final.

6) **I have a DRO in hand, what do I do now?**
Not every DRO is a QDRO. A DRO must be reviewed to determine if it is “Qualified”. There are technical requirements that the DRO must meet to be considered a QDRO. Either you as the Employer, or the Participant or Alternate Payee, or the Attorney should send the DRO to your Client Service Manager at JULY. Our ERISA Department will review it for these technical requirements and will contact the DRO preparer directly for corrections, if needed. It is usually faster when you use our Sample Language and when you send JULY a Draft Copy of the DRO for review before the court certifies it. When the DRO is qualified, the next step is to segregate and/or distribute the separate benefit to the Alternate Payee. To protect your plan from penalty risks, please notify your financial advisor or recordkeeper not to segregate or distribute from any participant’s account without a letter of instruction or distribution form from JULY. Distributions without proper approval of the QDRO and distribution forms could lead to penalties or other costs.
7) **Do you have sample QDRO language?**
Yes, our QDRO Sample Language is available on our website. We highly suggest the use of our sample language, as it usually speeds up processing.

8) **Are there Fees for the review of the QDRO?**
Yes, the QDRO review fee is $750.00. It is paid from the Participant’s (employee’s) account unless specified otherwise in the QDRO.

9) **What are the most common QDRO errors?**
   a) Some QDRO transmittal letters state Social Security Numbers and Date of Birth will be sent separately, but we don’t receive them, which slows processing.
   b) Some QDROs ask for a value as of a date for which values are not available.
   c) Some QDROs request distribution of non-vested amounts. Only vested balances can be paid out.

Please contact JULY at **888.333.5859** for more information.