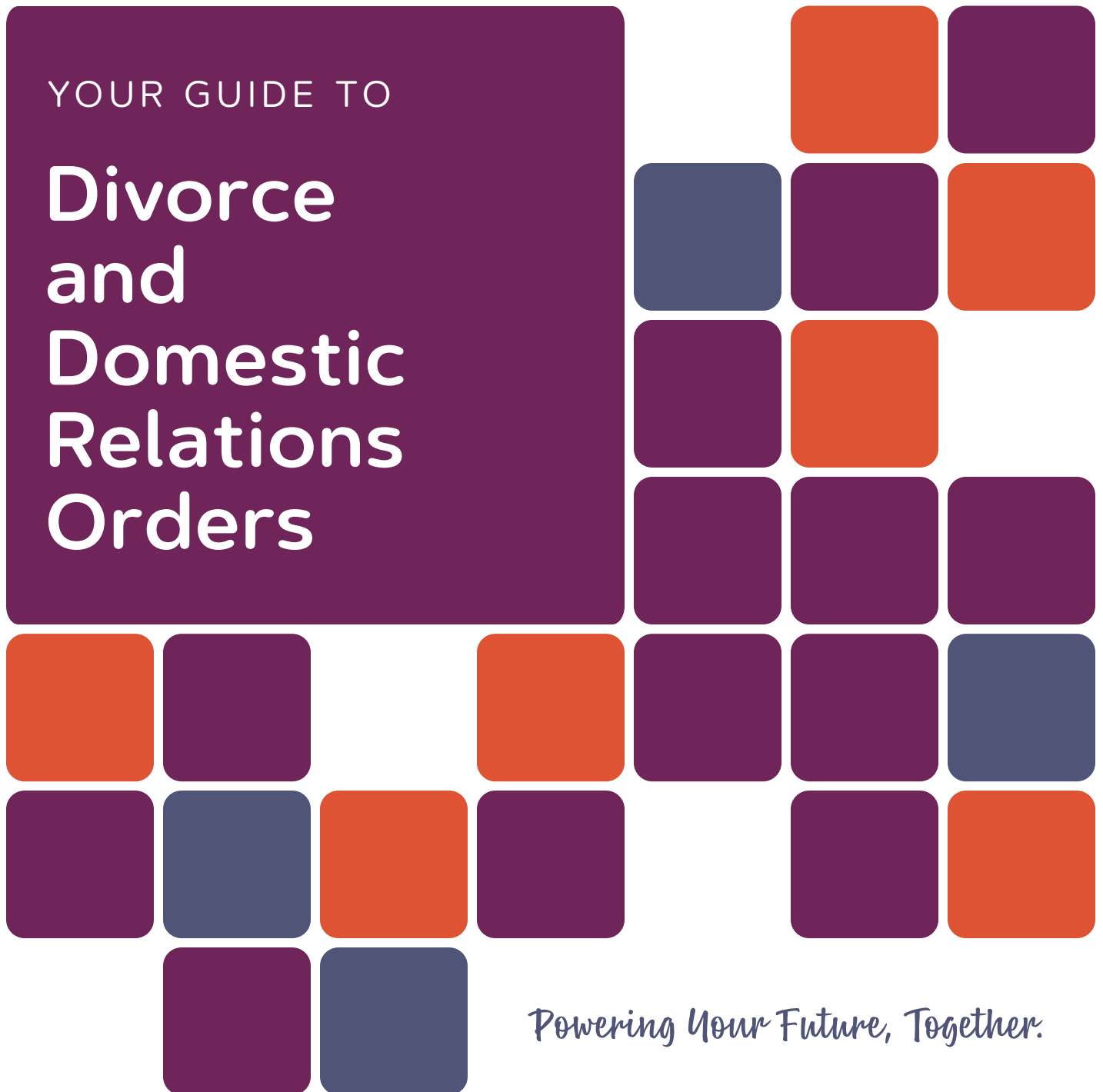


YOUR GUIDE TO

Divorce and Domestic Relations Orders



Powering Your Future, Together.

What is the Denver Employees Retirement Plan?

The Denver Employees Retirement Plan (DERP) was established January 1, 1963 to provide a defined benefit plan for eligible City and County of Denver employees in the Career Service, certain employees of the Denver Health and Hospital Authority, and DERP staff. As a trusted steward of the city's pension plan for over 50 years, DERP has helped thousands of eligible employees build, plan, and live a strong retirement future through prudent investment management, exceptional member service, and a commitment to deliver retirement benefits to our members.

The DERP team administers retirement, disability, and survivor benefits for eligible City and County of Denver employees in the Career Service, certain employees of the Denver Health and Hospital Authority, and DERP staff.

Our Mission

To provide promised retirement benefits and exceptional support and service to our members through prudent investment and administration.

Our Vision

To remain financially secure, to exceed evolving service expectations, and to be recognized as best in class among public retirement systems.

Our Values

In fulfilling our mission and vision, we will:

- Demonstrate **sound leadership** in governing and managing the DERP Pension Benefit.
- Cultivate **accountability** to each other and to all who rely on us by taking responsibility for our decisions and actions.
- Maintain the **transparency** required and expected of a public retirement plan.
- **Communicate** clearly, and **engage** proactively, with all audiences within our operating community.
- Operate with **integrity and professionalism** in our business practices.
- Approach issues in a **timely and strategic** manner, consistent with fiduciary standards of conduct.
- Passionately **deliver** on our mission to all members.
- Foster **teamwork and collaboration** by respecting diversity and different points of view.
- Strive for **innovation and improvement** through the pursuit of **continuous learning**.

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Section 1

Divorce and Domestic Relations Order Overview

Your DERP Pension Benefit is considered marital property and your former spouse may be legally entitled to receive a portion of the benefit. This guide is designed to provide information about the DERP Domestic Relations Order (DRO) procedures for the division of a DERP Pension Benefit in the event of a dissolution of marriage, legal separation, or declaration of invalidity of marriage.

Section 2

What is a Domestic Relations Order?

A DRO is a court order made in the accordance with Section 18-418 of the Revised Municipal Code of the City and County of Denver which divides your DERP Pension Benefit. A DRO that meets DERP's requirements allows DERP to make direct payments to your former spouse based on the division agreement.

Qualified Domestic Relations Order Distinction

DERP will not accept or honor a Qualified Domestic Relations Order (QDRO) under any circumstances. QDRO's apply only to private section pension plans. As a governmental plan, DERP is not subject to the QDRO provisions of the Employee Retirement Income Security Act.

Section 3

Division of DERP Pension Benefit

A DRO specifies the amount to be paid to your former spouse as either a percentage or exact amount of your DERP Pension Benefit.

The amount divided is based on your employment status.

- **Active or Inactive Vested Member**

If you are vested when the DRO is entered, the amount divided is based on the DERP Pension Benefit earned while both married and employed. If a percentage is elected, the amount may be reduced up to 30% depending on your age at retirement and may be reduced depending on the retirement benefit option you elect at the time of retirement.

- **Retired Member**

If you are retired when the DRO is entered, the amount divided is based on the DERP Pension Benefit earned while both married and employed.

- **Non-Vested Member**

If you are non-vested, contact DERP to discuss if a DRO is appropriate for your situation.

Section 4

Domestic Relations Order Payments

The terms and conditions of when your former spouse's DRO payments begin and end are:

Commencement

- **Active or Inactive Vested Member**

Your former spouse's payments will begin when you start receiving a DERP Pension Benefit. The normal retirement age for all members is age 65 however, there is no mandatory retirement age and you can continue to work indefinitely. Upon your retirement, DERP will notify and send the Domestic Relations Order Benefit Application to your former spouse to begin payments.

- **Retired Member**

Your former spouse's payments will begin no later than the first day of the month 30 days after the date the approved DRO is received by DERP. Upon the receipt of the DRO, DERP will notify and send the Domestic Relations Order Benefit Application to your former spouse to begin payments.

- **Deceased Member**

If you die prior to retirement, your former spouse can receive monthly payments specified in the DRO the first day of the month following the date you would have been eligible to receive a normal DERP Pension Benefit, but only if a benefit is being paid to your beneficiary at that time. Your former spouse will not be entitled to any benefit payments if all benefit payments have ceased or no benefit payments are to be made.

Duration

The payment to your former spouse will continue until your death, unless your former spouse elects to take the extended payment option, in which the payments will end upon your former spouse's death. No contingent beneficiary can be named by your former spouse for continued payments after his or her death. If you are retired when your former spouse dies, your DERP Pension Benefit is increased the month after your former spouse's death to include the amount of the benefit your former spouse was receiving.

- **Extended Payment Option**

Your former spouse can elect the extended payment option when completing the Domestic Relations Order Benefit Application to begin receiving DRO payments. The extended payment option actuarially reduces the agreed upon DRO payment to your former spouse, to provide an ongoing payment after the member's death. The reduction is based on your age and the age of your former spouse at the time the DRO payments begin. The reduction of the your DERP Pension Benefit is still based on the agreed upon DRO payment, not the reduced monthly amount your former spouse will receive.

Section 5

Required Forms

There are four forms that must be submitted to DERP for a DRO. The forms are available on DERP's website at DERP.org/Resources.

- **Divorce Decree**

DERP must have a copy of your divorce decree that has been ordered by the court.

- **Domestic Relations Order Parties**

Complete this form to identify the parties of the DRO.

- **Domestic Relations Order Agreement***

Complete this form to show agreement between the parties regarding the benefit division.

- **Domestic Relations Order Court Form***

Complete this form and file it with the Domestic Relations Order Agreement for court approval and entry.

- **Domestic Relations Order Release Authorization (optional)**

Complete this form to release your personal information to another individual or firm.

** The Domestic Relations Order Court Form and Domestic Relations Order Agreement must be approved and entered by the court either upon the entry of the decree and permanent orders, or within 180 days afterwards. These documents must then be submitted to DERP within 90 days after entry of the DRO by the court.*

Section 6

Steps to Obtain a Domestic Relations Order

1. Email Help@DERP.org to request an estimate.

The DRO estimate will show the amount of service credit and accrued monthly DERP Pension Benefit attributable to the period of the marriage.

2. Complete and file the forms with the court.

The required forms are available on DERP's website at DERP.org/Resources. The Domestic Relations Order Court Form and Domestic Relations Order Agreement must be approved and entered by the court either upon the entry of the decree and permanent orders, or within 180 days afterwards.

3. Provide DERP a copy of the court approved Domestic Relations Order Agreement and other required forms.

These documents must be received by DERP within 90 days after approval of the DRO by the court.

4. Wait for acceptance of the DRO by DERP.

When the court approved Domestic Relations Order Agreement is accepted by DERP, letters will be sent to both parties acknowledging the acceptance of the DRO and setting forth the division of the DERP Pension Benefit. If a payment can be made immediately, the Domestic Relations Order Benefit Application will be sent to the former spouse.

Section 7

Frequently Asked Questions

Is a DRO required?

No. A DRO is not appropriate or necessary in every case. It is important to consult with your attorney regarding the use and effect of a DRO. Whether a DRO is appropriate depends on the particular facts and circumstances surrounding your case.

Is pre-approval of the DRO Agreement required from DERP?

Pre-approval is recommended. If the forms are not properly completed or the administrative requirements are not met, DERP will reject the DRO. It is recommended that you send a copy of the completed Domestic Relations Order Agreement and Domestic Relations Order Court Form to DERP at least two weeks prior to the anticipated submission of the DRO to the court.

Can the DRO forms be modified?

No. The forms must be used without change.

What if DERP does not accept the DRO?

If the DRO was submitted for pre-approval, you will only have to make the necessary changes before submitting it to the court. If the DRO was not submitted for pre-approval and it has been signed by the court and rejected by DERP, you will have to go to court again, if time permits, to get a DRO that can be approved by DERP. If you cannot correct the error, the DRO will not be enforceable by DERP.

Can a DRO be modified?

Yes, as long as any modification is within the timeline set forth in Section 18-418 of the Revised Municipal Code of the City and County of Denver. DERP and the court must approve any modification to an existing DRO. The modification must be entered by the court within 180 days after entry of the decree of dissolution and be received by DERP within 90 days thereafter. The Domestic Relations Order Agreement must be received by DERP at least 30 days before DERP will make its first payment pursuant to the modified DRO.

Section 7 *(continued)*

What if I remarry?

If you remarry and elect a joint and survivor benefit option* for your spouse at the time of retirement, the benefit paid after your death to your new spouse will be based on your chosen retirement benefit after the agreed upon division to your former spouse has been paid. If you are retired when you remarry, your new spouse will not be eligible to be a joint and survivor beneficiary since the option elected at retirement is irrevocable.

** A joint and survivor beneficiary receives a continuing benefit upon a member's death. The member's retirement benefit is reduced to provide a benefit over two lifetimes.*

Are my former spouse's payments subject to taxes?

Yes. DERP can withhold federal and state taxes, and your former spouse will receive a Form 1099R for the portion of your DERP Pension Benefit paid to the former spouse. This is true even if the Domestic Relations Order Agreement says you will pay all taxes. The payment will be considered retirement income to your former spouse and may be eligible for a Colorado exemption. Ask your tax consultant for further tax information.

Is my former spouse eligible to participate in the group health insurance?

No. These benefits are for you and qualified dependents only.

Section 8

Domestic Relations Order Forms

Forms in this section are for reference only.
Visit DERP.org/Resources to download.

Visit DERP.org/Resources to download the
Domestic Relations Order Parties form.



**DOMESTIC RELATIONS ORDER
PARTIES**

PLEASE PRINT OR TYPE

DERP ID: _____

Employee ID: _____

I, _____, a member of the Denver Employees Retirement Plan, will be submitting a Domestic Relations Order ("DRO") for division of my retirement benefit in my pending divorce. I understand this document and all information within are required to process the DRO.

Member's Name: _____
Member's Social Security Number: _____
Member's Date of Birth: _____

Spouse's Name: _____
Spouse's Social Security Number: _____
Spouse's Date of Birth: _____

Date of Marriage: _____
Expected or Actual Date of Divorce: _____

Member's Printed Name: _____
Member's Current Mailing Address: _____
Member's Primary Telephone Number: _____
Member's Primary Email Address: _____

Signature: _____ Date: _____

Page 1 of 1
Domestic Relations Order Parties



Visit DERP.org/Resources to download the Domestic Relations Order Agreement form.



DOMESTIC RELATIONS ORDER AGREEMENT

This Agreement is made and entered into by and between _____ ("Member"), a member in the Denver Employees Retirement Plan ("Plan"), and _____, Spouse of the Member ("Former Spouse") to use a Domestic Relations Order ("DRO") for a Plan benefit in accordance with Section 18-418 of the Revised Municipal Code of the City and County of Denver.

The Member and Former Spouse are parties in an action for dissolution of marriage, legal separation, or declaration of invalidity of marriage, in Case Number _____, District Court, County of _____, State of _____ (the "Case").

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, as well as the entire division of marital property, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- The Plan benefits covered by this Agreement is the: *(please check ONE box)*
 - Defined Benefit Plan
 - Deferred Retirement Option Plan (DROP or DROP II)
 - Defined Benefit Plan **and** the Deferred Retirement Option Plan (DROP or DROP II)
 - Modification of a prior DRO *(Attach a copy of the DRO to be modified and complete only the sections that apply.)*
- The current state of the Member is: *(please check ONE box)*
 - Active or Deferred Member
 - Retired Member
- Payment as an annuity to the Former Spouse under the Plan's defined benefit plan shall be: *(please check ONE box)*
 - A percentage of the monthly retirement benefit earned during the period of marriage, to be paid from the retirement benefit option chosen by the Member at retirement. _____% *(whole number only)*
 - An exact amount of the monthly retirement benefit earned during the period of marriage. \$ _____ *(whole number only)*
- Payment in a lump-sum to the Former Spouse under the Plan's Deferred Retirement Option Plan (DROP or DROP II) shall be: *(please check ONE box)*
 - A percentage of the DROP / DROP II account earned during the period of marriage. _____% *(whole number only)*
 - An exact amount of the DROP / DROP II account earned during the period of marriage. \$ _____ *(whole number only)*

Visit DERP.org/Resources to download the
Domestic Relations Order Court form.

DISTRICT COURT COUNTY of _____ STATE of _____ Court Address: _____ _____ In Re the Marriage of: Petitioner: _____ _____ Respondent or Co-Petitioner: _____ _____	▲ COURT USE ONLY ▲ Case Number: _____ Div.: _____ Ctrm.: _____
<input type="checkbox"/> Domestic Relations Order for a Denver Employees Retirement Plan benefit. <input type="checkbox"/> Modification of a prior Domestic Relations Order for a Denver Employees Retirement Plan benefit.	

THIS MATTER having come before the Court for approval upon:

- An Agreement for a Domestic Relations Order concerning the Denver Employees Retirement Plan (the "Agreement") attached hereto.
- An Agreement for a Domestic Relations Order concerning Modification of a Prior Domestic Relations Order for a Denver Employees Retirement Plan (the "Agreement") attached hereto.

(Reminder: Check the appropriate box on page 2 of this Order)

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and the prior
Plan previously

Rev 11/2013

Visit DERP.org/Resources to download the Domestic Relations Order Release Authorization.



**DOMESTIC RELATIONS ORDER
RELEASE AUTHORIZATION**

PLEASE PRINT OR TYPE

DERP ID: _____
Employee ID: _____

I, _____, a member of the Denver Employees Retirement Plan (the Plan) hereby authorize the Plan to release the information, as specified below, to:

Name of Individual or Entity: _____
Address: _____
City, State, Zip Code: _____
Telephone Number: _____

I understand that the execution of this form does not authorize the release of information other than that specifically chosen below.

Information Requested: *(please check all that apply)*

- Member's retirement benefit estimate earned during the period of marriage
- Member's current beneficiary information (includes DROP and DROP II)
- Member's current DROP or DROP II balance

Purpose(s) or need(s) for which information is to be used: *(please check all that apply)*

- Determination of marital property interest
- Other (please specify): _____

Member's Name: _____

Member's Social Security Number: _____

Member's Date of Birth: _____

Spouse's Name: _____

Spouse's Social Security Number: _____

Spouse's Date of Birth: _____

Date of Marriage: _____

Expected or Actual Date of Divorce: _____

above is accurate to the any time, except to the and revocation of this copy of this authorization and discharge the Plan

_____, 20____.

ary Public

Visit DERP.org/Resources to download the Domestic Relations Order Benefit Application.



**DOMESTIC RELATIONS ORDER
BENEFIT APPLICATION**

PLEASE PRINT OR TYPE:

Name: _____ DERP ID #: _____
(First Name, Middle Initial, Last Name)

Date of Birth: _____ Gender: M / F Social Security Number: _____

Effective Date of DRO Benefit: _____

Residence Address: _____
(Street Address, City, State, Zip Code)

Mailing Address: _____
(Street Address, City, State, Zip Code)

Telephone Number: Home: _____ Alternate: _____
(Area Code, Number) (Area Code, Number)

Email Address: _____

I am the former spouse of _____, a member of the Denver Employees Retirement Plan, and elect to receive the benefit agreed upon through the approved Domestic Relations Order according to the Revised Municipal Code of the City and County of Denver, which was executed by the parties in conjunction with the dissolution of marriage.

(Check One Option Below)

- I elect to have this benefit paid until the death of the member. I understand that if I should pass away prior to the member, there will not be an ongoing monthly payment made to my estate or heirs.
- I elect the extended payment option. This option provides an actuarially reduced monthly payment to provide me a lifetime monthly payment that does not stop upon the death of the member, but will continue until my death.

_____ **ating and account numbers.**

application, I authorize the Denver Employees Retirement Plan to automatically deposit my benefit payments to the account as indicated. I understand that DERP, if necessary, to make corrections to the account indicated. I understand that DERP will make a good faith effort to notify me when an error is made.

_____ the foregoing instrument was signed and acknowledged before me this _____ day of _____, 20____.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public

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Domestic Relations Order Benefit Application



Disclaimer

Your Guide to Divorce and Domestic Relations Orders is intended primarily for the members of the Denver Employees Retirement Plan (DERP) to provide a general overview. It is for informational and educational purposes only. Although efforts are made to ensure the accuracy and timeliness of the information, it is for general information only. If you have questions, you are encouraged to contact DERP for specific information regarding your DERP Pension Benefit.

DERP and its administration of the DERP Pension Benefit is governed by the Revised Municipal Code of the City and County of Denver, as well as the Internal Revenue Code and its rules and regulations, which are complex and subject to change. Though the information contained in this guide is based on the pertinent laws in effect as of this date, it cannot be relied upon as legal authority, and any conflict or inconsistencies between it and the governing laws are resolved and controlled by those governing laws. DERP makes no guarantees pertaining to the information contained within it.

DERP suggests you consult with an attorney and/or a tax advisor if you have any specific legal or tax question concerning the information provided in this handbook. In all cases, the provisions of the governing laws, rules, and regulations will prevail.



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DERP.org
MyDERP.org