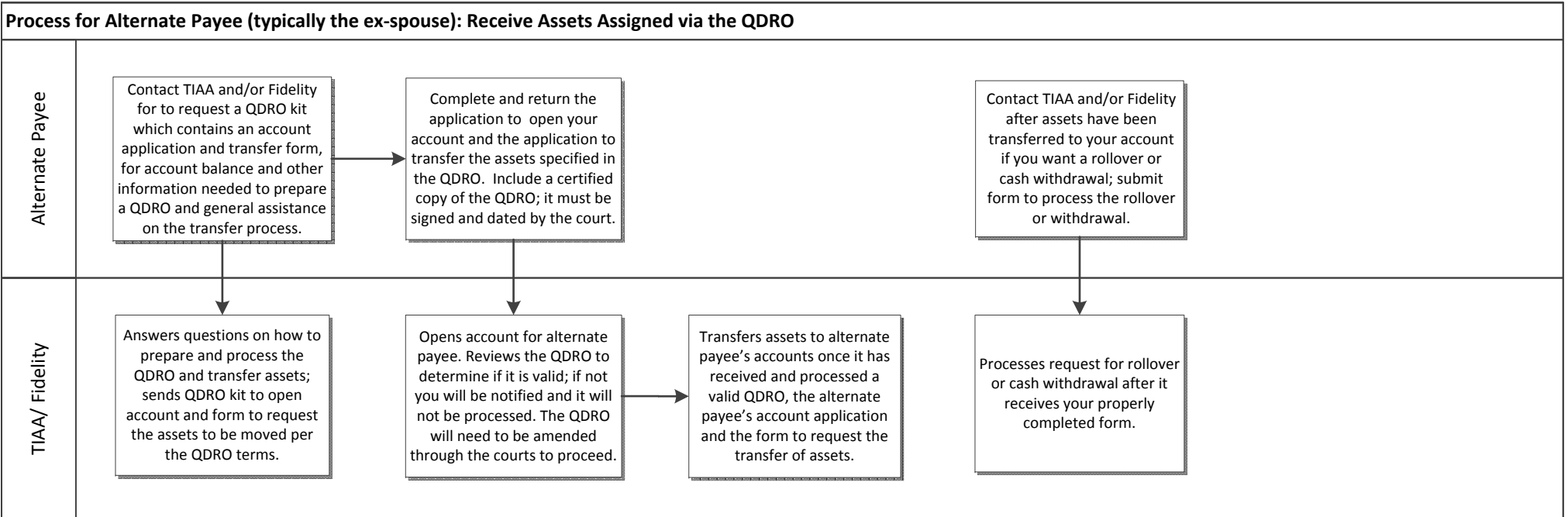
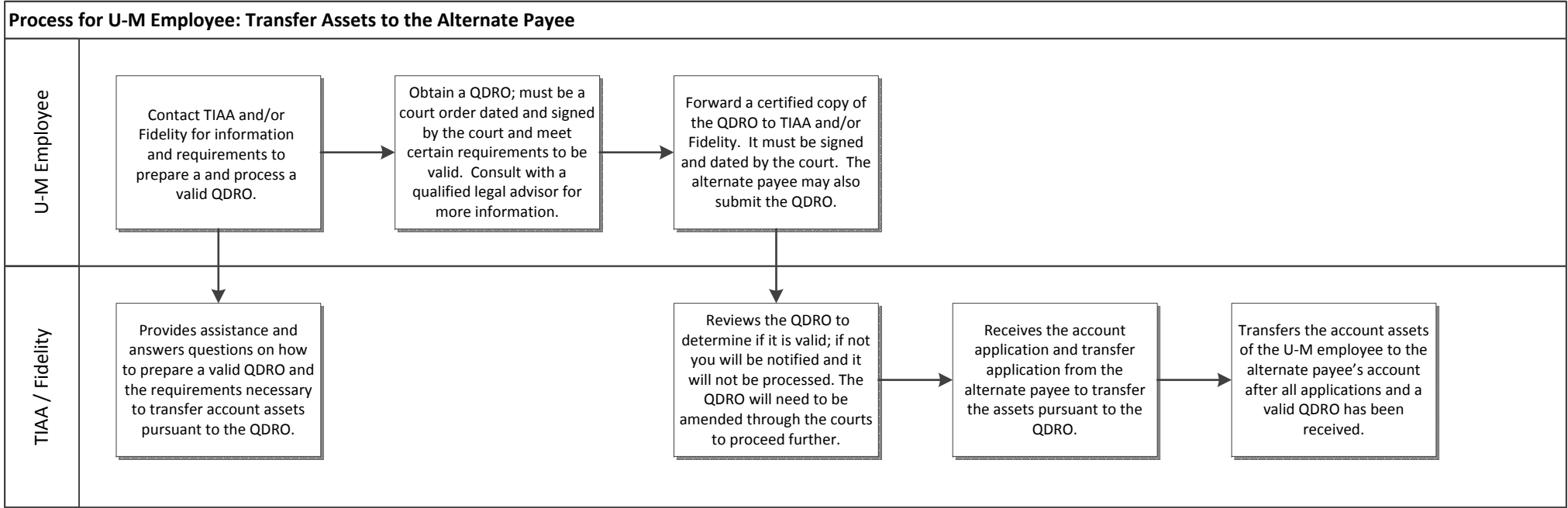


Process to Transfer Retirement Plan Account Assets to an Alternate Payee Pursuant to a QDRO





QDRO PROCESS and FAQ's

Transferring Retirement Assets to an Alternate Payee Pursuant to a QDRO

The following is provided for informational purposes only and is not intended to constitute legal advice or to encompass all aspects of the QDRO. Your specific circumstances may vary and QDRO requirements may differ according to the state of jurisdiction of the divorce. You should consult with a qualified legal adviser.

WHERE TO REQUEST INFORMATION

A subpoena to obtain information relevant to the preparation of a QDRO must be directed to the appropriate investment company. Please note the following when preparing the subpoena:

The University of Michigan is not the custodian of the records for the U-M 403(b), 401(a), and 457(b) plans.

TIAA and Fidelity Investments are the record keeping agents and should be contacted when requesting the following types of information:

- Account balance.
- Account activity (ex. if there are any outstanding loans).
- Confirmation of the beneficiary designation.
- Copies of account statements.
- Contribution history.

A subpoena for this information must specifically name the investment company and be sent directly to them to the following addresses:

TIAA
P.O. Box 1259
Charlotte, NC 28201
1-800-842-2776

Fidelity Investments
P.O. Box 770002
Cincinnati, OH 45277-0090
1-800-343-0860

Confirmation of Enrollment & Investment Company

The U-M employee or former employee that is a party to a QDRO is required by law to disclose to the alternate payee if they are or were enrolled in any of the U-M retirement plans and to confirm if they participated with TIAA and/or Fidelity Investments.

Information That is on the University of Michigan Human Resources Website (hr.umich.edu):

- Description of each plan type, including terms and conditions.
- Eligibility for participation and contributions.
- Eligibility for distributions, cash withdrawals, and loans.
- Plan handbook.

The University of Michigan does not have a traditional defined-benefit pension plan. In addition, U-M never participated in any of the pension systems offered by the State of Michigan, such as MPERS (Michigan Public School Employees Retirement System).

PREPARING AND PROCESSING THE QDRO

The University of Michigan does not review QDROs to determine validity, process them, or give advice on their preparation. TIAA and Fidelity Investments perform these functions on behalf of the university. You, your legal representative, and the alternate payee (typically the ex-spouse) may speak with TIAA and Fidelity to seek advice on preparing the QDRO, request forms, and ask questions about the process to transfer the retirement account assets according to the terms of the QDRO.

Send a certified copy of the QDRO that has been dated and signed by the court (it cannot be signed by you or your attorney) to the appropriate investment company listed below.

TIAA
P.O. Box 1259
Charlotte, NC 28201
1-800-842-2776

Fidelity Investments
P.O. Box 770002
Cincinnati, OH 45277-0090
1-800-343-0860

Please note that it is your responsibility to ensure the QDRO meets all requirements legally necessary to be valid and enforceable and to comply with all provisions required by TIAA and/or Fidelity to process it.

The QDRO will not be processed if it is not properly prepared or is invalid and it is your responsibility to have it corrected, amended, and reissued through the courts to be compliant in order to proceed further.

FREQUENTLY ASKED QUESTIONS

What is a QDRO?

The term QDRO (Qualified Domestic Relations Order) refers to a court order that is made under a state's domestic relations law or community property law. It typically deals with property rights, alimony, or child support.

What makes a court order a QDRO?

A QDRO is a domestic relations order that must include several elements to be valid and to assign benefits from the U-M employee to an alternate payee. These requirements can be different in order to apply to a governmental 457(b) plan. Consult with a qualified legal adviser.

Can a QDRO extend to a retirement plan?

Yes. A QDRO may involve assigning all or a portion of a participant's retirement plan account accumulations to an alternate payee.

Who is an alternate payee?

An alternate payee is typically the participant's spouse or ex-spouse but can be another person such as a child or other dependent. A QDRO may also name more than one alternate payee.

What role does the University play in determining if an order is a valid QDRO?

None. TIAA and Fidelity Investments perform this function on behalf of the University. Do not send a QDRO to the University of Michigan; forward it directly to the appropriate investment company for handling at the addresses listed below.

I'm a party to or am involved in a QDRO; where can I obtain information, account balances, forms, or get assistance preparing the QDRO?

Contact TIAA and Fidelity Investments as they serve as the custodian of the records for the U-M Retirement Plans. Consultants can answer questions on the steps involved in a QDRO, forms needed to transfer accumulations, and assistance in the process. Please note that the university does not have information such as account balances and designated beneficiaries.

Where can I obtain information on the features the retirement plan, such as availability of withdrawals, rollovers, and transfers?

This information is contained in the University of Michigan Retirement Savings Plans handbook. You may download a copy from the University Human Resources website at hr.umich.edu.

Is the University of Michigan Retirement Plan subject to Title I of ERISA?

No. The University of Michigan Retirement Plan is a governmental plan and is not subject to Title I of ERISA (Employee Retirement Income Security Act), the Federal law that includes provisions on the administration of a QDRO.

How does a QDRO apply to the U-M Plan if it is not subject to Title I of ERISA?

Like many governmental plans, the University of Michigan will accept a valid QDRO.

How does a QDRO assign benefits in a retirement plan?

A valid QDRO must meet several requirements in order to be valid. For example, it must be a court order and not a private agreement. In addition, several pieces of information must be stated in the QDRO regarding the assignment of a participant's retirement plan benefits or accumulations. These include the person who will receive the benefits or rights to the benefits (called an alternate payee) and the amount of the participant's account to be assigned.

Failure to meet these requirements can result in severe tax consequences and tax penalties to the U-M employee. Consult with a qualified legal advisor for more information on the requirements to create a valid QDRO.

Once a QDRO has been established, a certified copy should be forwarded to the appropriate investment company (TIAA and/or Fidelity Investments). The participant or the alternate payee can do this. Each investment company has its own process to determine if the QDRO is valid and will send a kit to the alternate payee to set up his or her own account. The assets are then transferred per the terms of the QDRO to the alternate payee's account.

When can alternate payee cash out or rollover accumulations obtained through a QDRO?

At any age. There are no plan restrictions to alternate payees on withdrawals and rollovers.

Who has to submit the QDRO to TIAA and/or Fidelity?

Either the alternate payee or the university employee involved in the divorce may send the QDRO to TIAA and/or Fidelity Investments as part of the process to transfer the retirement account assets. Specific requirements must be met for the QDRO to be valid and additional forms from the alternate payee are needed for the transfer and any subsequent rollover or distribution.

IF YOU ARE THE U-M EMPLOYEE

Your role typically is to transfer assets assigned to the alternate payee according to the terms of the QDRO if you are the U-M employee or former employee currently or previously enrolled in one or more of the 403(b), 401(a) or 457(b) plans and you are involved with a QDRO.

You and your attorney/legal representative may contact TIAA and/or Fidelity Investments for assistance for the following:

- To find out the requirements for a QDRO to be valid.
- To understand the process to transfer the retirement assets to the alternate payee.
- To request forms.
- To request a consultation in preparing the QDRO.

Forward a certified copy of the QDRO to the appropriate investment company. This step may be completed by either the alternate payee or the U-M employee. The QDRO must be signed and dated by the court; it is insufficient to send a copy signed by yourself or your attorney or legal representative. TIAA and/or Fidelity determine if the QDRO is valid and can be processed. You will be advised if the QDRO is incomplete or incorrect and it will not be processed. As a result, you will need to have the QDRO corrected, amended, and reissued through the courts to be compliant in order to proceed further.

If the QDRO meets all necessary requirements to be valid, the retirement account assets assigned by the QDRO can be transferred to the alternate payee once he or she has opened an account. The alternate payee may then take a distribution or rollover the assets (rollover requires another form) or leave the money in his or her account.

IF YOU ARE THE ALTERNATE PAYEE (TYPICALLY THE EX-SPOUSE)

Your role typically is to secure the assets assigned to you according to the terms of the QDRO if you are the alternate payee named in a QDRO involving a U-M employee (either a current or former faculty or staff member enrolled in one or more of the 403(b), 401(a) or 457(b) programs).

You and your attorney/legal representative may contact TIAA and/or Fidelity Investments for assistance with the following:

- To find out the requirements for a QDRO to be valid.
- To understand the process to transfer the retirement account assets.
- To obtain account balance and other information relevant to the preparation of the QDRO.
- To request forms to open an account in your name so assets assigned in the QDRO have a destination account ready to accept the transfer of assets.
- To request a consultation in preparing the QDRO.

Forward a certified copy of the QDRO to the appropriate investment company. This step may be completed by either the alternate payee or the U-M employee. The QDRO must be signed and dated by the court; it is insufficient to send a copy signed by yourself or your attorney or legal representative. TIAA and/or Fidelity determine if the QDRO is valid and can be processed. You will be advised if the QDRO is incomplete or incorrect and it will not be processed. As a result, you will need to have the QDRO corrected, amended, and reissued through the courts to be compliant in order to proceed further.

Request a QDRO kit to apply for the transfer of accumulations as well as an account application so the transferred accumulations will have a destination account established when the QDRO is processed. Return the account applications, the alternate payee forms, and a certified copy of the QDRO that has been dated and signed by the court to the investment company.

The investment company opens your account as the alternate payee and transfers assets from the U-M employee account to your account according to the terms of the QDRO. You may then take a distribution or rollover the assets (this requires another form) or leave the money in the account.

CHART OF PLAN TYPES

A QDRO must specify the plans for which it applies regarding the assignment of retirement plan assets. The following lists the U-M plan types and their corresponding record keeping number with each plan investment company.

Plan Name and Types of Contribution in the Plan	TIAA Plan Number	Fidelity Investments Plan Number
University of Michigan 403(b) Basic Retirement Plan <ul style="list-style-type: none"> ▪ Your 5% (or 4.5% for Michigan Medicine) contribution as a voluntary participant on all eligible earnings. ▪ Your 5% (or 4.5%) contribution on earnings up to the FICA wage base if you are a compulsory participant (you are age 35 or older, have at least two years of service as a regular faculty or staff member, and have a 100% appointment). ▪ All U-M contributions made through 6/30/1989. 	101010	72104
University of Michigan 401(a) Basic Retirement Plan <ul style="list-style-type: none"> ▪ Your 5% (or 4.5%) contribution on earnings exceeding the FICA wage base if you are a compulsory participant in the plan effective 7/1/1989 or later. ▪ All U-M contributions effective 7/1/1989 and later. 	101011	86503
University of Michigan 403(b) Supplemental Plan <ul style="list-style-type: none"> ▪ An elective deferral you make as a fixed-dollar amount. ▪ This amount is separate from the 5% (or 4.5%) you contribute to the Basic Retirement Plan. ▪ There are no U-M contributions in this plan. 	101013	72103
University of Michigan 457(b) Deferred Compensation Plan <ul style="list-style-type: none"> ▪ An elective deferral you make as a fixed-dollar amount. ▪ There are no U-M contributions in this plan. 	101012	66806