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In the event of a divorce, you may want to change your state sponsored life insurance beneficiary designations. If your life insurance coverage is administered by MOSERS, please check your beneficiary designations while you are online to make sure they are current. You may make changes anytime by using the Member Login.

Please do **not** use a “Qualified Domestic Relations Order” (QDRO). MOSERS is exempt from QDROs provided for by the 1984 Retirement Equity Act. For the most part, the 1974 Employee Retirement Income Security Act (ERISA), which was amended to provide for QDROs, only relates to private sector pension plans. Government pension plans like MOSERS are exempt from this provision of federal law.

*This brochure contains a summary of the provisions of Section 104.312 & 104.1051 of the Revised Statutes of Missouri (RSMo). **The contents of this brochure should not be considered legal advice. This information does not amend or overrule any applicable statute or administrative rule. In the event of conflict, the applicable statute or administrative rule will prevail.***

INTRODUCTION

If you are vested (eligible for a benefit), your retirement benefit from the Missouri State Employees' Retirement System (MOSERS) is considered "marital property." If you have been married at any time while an active member of MOSERS and are considering a divorce, your spouse may be legally entitled to receive a portion of your retirement benefit.

This brochure is designed to give the parties involved in a marriage dissolution a better understanding of how MOSERS pension benefits may be divided in a divorce proceeding. For your convenience, a summary is located on page 8 of this brochure. Please consult your attorney regarding your legal rights during a divorce.

If you have any questions or require additional information, please contact a MOSERS benefit counselor at (573) 632-6100 or (800) 827-1063.

The contents of this brochure should not be considered legal advice.

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THE DIVISION OF BENEFITS ORDER PROVISION

Section 104.312 and 104.1051 of the Revised Statutes of Missouri (RSMo), permits the division of MOSERS retirement benefits in the event of a divorce. This law allows MOSERS to pay a portion of your pension benefit directly to your former spouse at the time you begin receiving payments from MOSERS. Before MOSERS can divide your benefit, a court of competent jurisdiction must issue a Division of Benefits Order (DBO). According to the law, the court may award your ex-spouse **up to 50%** of the benefit accrued during all or part of your marriage.

AN ALTERNATIVE TO THE DBO

There are two important details to remember when considering whether or not to use a DBO:

- No payment will be issued to your ex-spouse until you begin receiving retirement benefits from MOSERS. The payment is payable until the death of the member or the ex-spouse, whichever comes first.
- The only way in which MOSERS is legally authorized to divide your benefit is by using a DBO.

However, as an alternative to the DBO, you may choose to divide the present value of your retirement benefit at the time of divorce as a part of the property division. If a present-value calculation is required, we recommend you contact a professional who specializes in this service.

There may be other alternative methods available to you as well. Please consult your attorney to decide which method of dividing your benefit is best.

IF YOU ARE ALREADY DIVORCED

Future retirement benefits may have been addressed in your divorce decree. Read through it and see. If you don't have a copy, you may be able to get a copy from the county where the divorce took place. You may contact a MOSERS benefit counselor to discuss the matter and how it applies in your specific situation.

WHEN YOU WILL BE VESTED

In order to divide your benefit, you must be “vested” on the date of your divorce. In other words, you must be eligible to ultimately receive a benefit without regard to future service. You will be vested upon completion of credited service as illustrated in the table below.

If you are **not** vested on the date of divorce, your retirement benefit **cannot** be divided. If you are not vested, you are not entitled to a benefit; therefore, there is nothing to divide.

Vesting	MSEP/MSEP 2000	MSEP 2011*
General State Employees	5 years	10 years
Legislators	3 biennial assemblies	3 biennial assemblies
Statewide Elected Officials	4 years (1 term)	4 years (1 term)
Judges	Immediately	Immediately
Administrative Law Judges	Immediately	N/A

* Members employed for the first time in a MOSERS benefit-eligible position on or after 1/1/2011 are members of MSEP 2011.

HOW TO OBTAIN BENEFIT INFORMATION

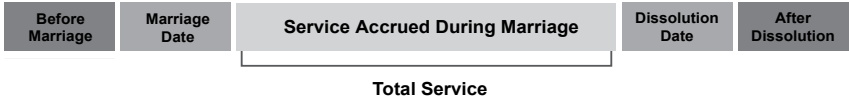
MOSERS requires a *Division of Benefits Order – Request for Estimate* form or subpoena to release your benefit information to another party. Your ex-spouse can use the release form in lieu of requesting the court to issue a subpoena to MOSERS. For your convenience, a *Division of Benefits Order – Request for Estimate* form is available online at www.mosers.org.

Generally, the DBO estimate will show the amount of creditable service, the benefit formula, and the accrued monthly retirement benefit attributable to the period of the marriage. If you or your attorney requests the benefit information, we will send it to you. If your spouse or your spouse's attorney requests the benefit information, we will send you a copy of the information that we release.

The benefit estimate will **not** show the present value of your retirement benefit. If a present value calculation is required, contact a professional who specializes in this service.

HOW TO CALCULATE THE EX-SPOUSE PAYMENT

With an approved DBO, your ex-spouse may receive up to 50% of the benefit accrued during all or part of your marriage. The benefit for service accrued before the marriage and after the date specified on the DBO cannot be divided. The ex-spouse benefit will be based upon the formula of the plan to which the member belongs on the date of dissolution.



In the event of a divorce, service purchased during the marriage will be included in calculating the ex-spouse benefit.

Calculating the Ex-Spouse Payment

Assumptions

Retirement plan.....	MSEP (general state employee)
Date of hire.....	September 1, 1996
Date of marriage	October 16, 2004
Date of dissolution.....	November 30, 2013
Average compensation at date of dissolution (based on highest 36 months of salary).....	\$3,000
DBO awarded ex-spouse	50% of your benefit

The ex-spouse payment will be calculated according to the plan the member is in on the date of dissolution, regardless of the plan elected at retirement.

Ex-spouse payment amount will be adjusted proportionately if the member:

- Elects early retirement, or
- Elected a joint and survivor option at retirement and the ex-spouse was named as the beneficiary.

The reduction will be applied to the member and ex-spouse benefit.

Service Accrued During Marriage

Date of Dissolution	-	Date of Marriage	=	Service Accrued During Marriage
2013-11-30	-	2004-10-16	=	9-1-15 (9 Yrs., 1 Mth., 15 Days)

Benefit Calculation

Average Compensation	x	Multiplier (1.6%)	x	Yrs./Mths. of Service	=	Benefit Eligible for Division
\$3,000.00	x	.016	x	9.0833	=	\$436.00

Benefit Eligible for Division	x	Percent Specified in DBO	=	Ex-Spouse Payment
\$436.00	x	.50	=	\$218.00

Your ex-spouse will not be eligible to receive any formula increases or the temporary benefit. The BackDROP payment (if applicable) is not subject to a DBO. However, an ex-spouse is eligible to receive applicable COLAs.

HOW TO OBTAIN A DBO

To assist you in obtaining an acceptable DBO, we recommend you follow these steps:

- **Step 1** - Discuss divorce proceedings with your attorney. Ask about your rights and options regarding “marital property.”
- **Step 2** - Obtain a DBO packet and benefit estimate from MOSERS (available online at www.mosers.org, or by subpoena to receive pertinent benefit information). If your attorney prepares a DBO according to the sample DBO provided in the packet, then it must be submitted to MOSERS for approval prior to the court date. *A DBO packet will be mailed to you with the requested benefit estimate.*
- **Step 3** - Have the approved DBO signed by the appropriate parties including the judge.
- **Step 4** - Obtain a **certified** copy of the DBO from the circuit clerk. Submit the **certified** copy to MOSERS for processing. MOSERS will not process a DBO until a **certified** copy is received at MOSERS’ office.

WHEN EX-SPOUSE PAYMENTS WILL BEGIN

Please note: Benefit payments under a DBO will not be paid retroactively.

If You Divorce Before Retirement

In accordance with the DBO, ex-spouse payments will commence when you begin receiving benefits from MOSERS. Upon your death or the death of your ex-spouse, the DBO will automatically terminate.

If You Divorce After Retirement

Payments to the ex-spouse will begin the first of the month following receipt of an acceptable DBO. MOSERS will divide retirement benefit payments paid only after receipt of the DBO. Upon the death of either party, the DBO will automatically terminate. If you are predeceased by your former spouse, your benefit will increase by the amount otherwise payable to the ex-spouse on the first of the month following your ex-spouse's death.

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If you elected a BackDROP at the time of retirement, the service between the BackDROP date and the annuity starting date (your BackDROP period) **will** be included and considered creditable service when calculating the amount eligible for the division of benefit. This may result in your spouse receiving a slightly higher monthly payment than your monthly payment if the DBO requires a 50% split and you were married the entire time you worked in a position covered by MOSERS. If you have questions about this or would like to know what percentage split to use in order to evenly divide your monthly payment, contact a MOSERS benefit counselor.

Survivor benefits are paid in accordance with the applicable statutes. If you elected a joint & survivor benefit payment option at retirement, survivor benefits will be paid to the spouse named on your *Retirement Election form*, regardless of your marital status.

If You Elect the Cash Out Option

Section 104.335.6, RSMo, allows eligible terminated vested members to receive the present value of their future retirement benefit in a lump sum after leaving state employment rather than a monthly benefit at retirement age. If MOSERS has received a DBO prior to processing the cash out payment, your ex-spouse will receive a portion of the cash out payment accrued during the marriage. (The cash out option is available only to eligible vested members of MSEP who left state employment between 10/1/1984 and 9/1/2002.)

REQUESTING A REFUND OF MEMBER CONTRIBUTIONS (MSEP 2011* MEMBERS ONLY)

Note: This section applies only to members of MSEP 2011*. If you are married at the time you request a refund, the request will not be processed without consent from your spouse. You are not eligible to request a refund if your retirement benefit is subject to a division of benefit order pursuant to section 104.1051.

** Members employed for the first time in a MOSERS benefit-eligible position on or after 1/1/2011 are members of MSEP 2011*

INFORMATION ABOUT MOSERS

MOSERS is a “defined benefit” (DB) plan operating as a tax qualified plan under section 401(a) of the Internal Revenue Code. In a DB plan, those who vest, meet certain age and service requirements, and retire under the DB plan are guaranteed a retirement benefit. This benefit is generally determined by a formula which takes into account your compensation and your years and months of service. Please remind your attorney that as a governmental retirement plan, MOSERS is **not** subject to any Qualified Domestic Relations Order (QDRO) issued pursuant to the provisions of the Employee Retirement Incentive Security Act of 1974 (ERISA).

Acting as an administrative agent, MOSERS oversees four separate and distinct retirement plans. The plans are:

- Missouri State Employees’ Plan (MSEP)
- Missouri State Employees’ Plan 2000 (MSEP 2000 and MSEP 2011)
- Judicial Plan (including the Judicial Plan 2011)
- Administrative Law Judges and Legal Advisors’ Plan (ALJLAP)

SUMMARY OF DBO PROVISIONS

MOSERS will not automatically divide your retirement benefit in the event of divorce. The only way in which MOSERS is legally authorized to divide your benefit is by using a DBO.

- The division amount is negotiable at the time of divorce. It can be any amount up to 50% of your benefit accrued during all or part of your marriage.
- There may be other alternative methods available to divide the value of your retirement benefit. Ask your attorney about your rights and options.
- If you marry and divorce more than once, the court can authorize more than one DBO. Each order can divide only the benefit accrued during that marriage.
- No payment will be issued to your ex-spouse until you begin receiving benefits from MOSERS (or elect the cash out option).
- In order to have your benefit divided, you must be eligible for a benefit (vested) on the date specified on the DBO.
- A DBO can be obtained and submitted to MOSERS after the divorce. Don't assume the DBO is automatically part of the divorce.
- The DBO will automatically terminate upon the death of either party.
- Your ex-spouse will **not** be eligible to receive any formula increases or the temporary benefit. The BackDROP payment (if applicable) is not subject to a DBO.
- Ex-spouse payments are eligible for cost-of-living adjustments (COLAs) based on the plan in which you receive a retirement benefit.
- The amount of an ex-spouse payment will be adjusted proportionately if the member:
 - Elects early retirement, or
 - Elected a joint and survivor benefit payment option at retirement and the ex-spouse was named as beneficiary.
- Members of MSEP 2011 may not receive a refund of member contributions if their retirement benefits are subject to a division of benefits order (DBO).
- A MOSERS retiree **cannot change (even after divorce)** the benefit payment option after your first benefit payment is mailed or electronically transferred by MOSERS.

*Visit MOSERS' website for the most
current version of this publication.*

Missouri State Employees' Retirement System

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Please contact MOSERS to obtain alternative formats of this publication.