

NEBRASKA SCHOOL EMPLOYEES RETIREMENT PLAN

When Can I Receive My QDRO Share? A General Guide to Receiving Funds for an Alternate Payee

1. If the member separates from service at any age:

Based on the percentage awarded in the Qualified Domestic Relations Order (QDRO), the Alternate Payee may choose to receive:

- A lump sum payment of cash or a rollover to another qualified plan of the contributions and interest (regardless of the member's age and service), or
- A lifetime monthly retirement annuity when and if the member meets the plan's requirements for "*Member Retirement Eligibility*" (see bottom of page 2). Please note that if the Alternate Payee elects to receive his/her monthly benefit before the member, he/she will not share in any early retirement subsidy that may be available to the member. A subsidy no longer exists once the member reaches age 65.

2. If the member is still working and has attained age 50, but has not met the Plan's requirements for "Member Retirement Eligibility":

An Alternate Payee may receive a lump sum payment of cash or a rollover to another qualified plan of the contributions and interest awarded in the QDRO, BUT CANNOT receive a monthly lifetime retirement annuity benefit since the member will not have met "*Member Retirement Eligibility*".

Please note that if the Alternate Payee elects to receive his/her award in the form of a lump sum distribution, he/she will have no further claim upon the member's School Retirement account.

3. If the member is still working and meets "Member Retirement Eligibility":

Based on the percentage awarded in the QDRO, the Alternate Payee may choose to receive:

- A lump sum payment of cash or a rollover to another qualified plan of the contributions and interest, or
- A lifetime monthly retirement annuity. Please note that if the Alternate Payee elects to receive his/her monthly benefit before the member, he/she will not share in any early retirement subsidy available to the member. A subsidy no longer exists once the member reaches age 65.

4. If the member is retiring under one of the "Member Retirement Eligibilities":

Based on the percentage awarded in the QDRO, the Alternate Payee may choose to receive:

- A lump sum payment of cash or a rollover to another qualified plan of the contributions and interest, or
- A lifetime monthly retirement annuity, sharing in any early retirement subsidy available to the member. A subsidy no longer exists once the member reaches age 65.

*** continued on the reverse side ***

NEBRASKA SCHOOL EMPLOYEES RETIREMENT PLAN

When Can I Receive My QDRO Share? A General Guide to Receiving Funds for an Alternate Payee

5. If the member dies before the Alternate Payee has received any payment of his/her award:

- ***If the member dies before performing five years of creditable service and prior to attaining age 65:*** The Alternate Payee will receive a lump sum payment of cash or a rollover to another qualified plan of the member contributions and interest awarded in the QDRO.
- ***If the member dies after performing at least five but not yet 20 years of creditable service and prior to attaining age 65:*** Based on the percentage awarded in the QDRO, the Alternate Payee may choose to receive:
 - ◆ A lump sum payment of cash or a rollover to another qualified plan of the member contributions and interest plus an amount equal to 101% of that total, or
 - ◆ A lifetime monthly annuity, reduced for early retirement and beginning when the member would have been age 60.
- ***If the member dies after performing 20 or more years of creditable service or after attaining age 65:*** Based on the percentage awarded in the QDRO, the Alternate Payee may choose to receive:
 - ◆ A lump sum payment of cash or a rollover to another qualified plan of the member contributions and interest, or
 - ◆ The surviving spouse's lifetime monthly annuity.

"MEMBER RETIREMENT ELIGIBILITY"

NORMAL RETIREMENT

- **Benefits begin at age 65 if member has at least 5 years of creditable service**
- **Member terminates at age 65 or after with any amount of service credit (if the member was hired prior to July 1, 2016)**

UNREDUCED EARLY RETIREMENT

- **Benefits begin as early as age 55 if age and years of creditable service total at least 85 ("Rule of 85")**

REDUCED EARLY RETIREMENT

- **Benefits begin as early as age 60 with 5 years of creditable service with benefit reduced by 3% for each year prior to age 65**
