

# NEBRASKA RETIREMENT FUND FOR JUDGES

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 prior to age 65:**

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). It is possible that the Alternate Payee may need to wait until the member is older to receive this type of benefit.

Please note that if the Alternate Payee elects to receive his/her monthly benefit before the member and the member terminated employment on or after July 18, 2008, he/she will not share in any early retirement subsidy that may be available to the member. Members that terminated employment prior to July 18, 2008 are not entitled to an early retirement subsidy. A subsidy no longer exists once the member reaches age 65.

The Alternate Payee will want to contact the Retirement Office for a benefit eligibility review if the member separates from service.

## **2. If the member separates from service on or after age 65:**

Based on the percentage awarded in the Qualified Domestic Relations Order (QDRO), the Alternate Payee's only option:

- A lifetime monthly annuity benefit.

## **3. 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 Judges' Retirement account.

## **4. If the member is still working and is at least age 55 but has not attained 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 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 and the member terminated employment on or after July 18, 2008, he/she will not share in any early retirement subsidy available to the member. Members that terminated employment prior to July 18, 2008 are not entitled to an early retirement subsidy. A subsidy no longer exists once the member reaches age 65.

## NEBRASKA RETIREMENT FUND FOR JUDGES

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

### **5. If the member is retiring with a “Reduced Early Retirement Benefit”:**

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 annuity benefit. If the member terminates employment on or after July 18, 2008, the Alternate Payee will share in any early retirement subsidy available to the member.

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

- IF THE MEMBER DIES *BEFORE* PERFORMING 5 YEARS OF CREDITABLE SERVICE: the Alternate Payee will receive a lump sum payment (via direct payment or a rollover to another qualified plan) of the member contributions and interest awarded in the Qualified Domestic Relations Order.
- IF THE MEMBER DIES *AFTER* PERFORMING 5 OR MORE YEARS OF SERVICE: the Alternate Payee may elect a lump sum payment (via direct payment or a rollover to another qualified plan) of member contributions and interest if the member is under the age of 65 at death or may elect to receive the percentage awarded in the Qualified Domestic Relations Order of the surviving spouse’s monthly lifetime retirement annuity benefit.

\*\*\*\*\*

#### “MEMBER RETIREMENT ELIGIBILITY”

##### **NORMAL RETIREMENT**

- Age 65

##### **REDUCED EARLY RETIREMENT**

- If the member ceased employment before July 18, 2008 - the early retirement benefit for age 55 to 65 is reduced from the “normal” age 65 benefit using an actuarial factor based on age (rounded to the nearest month).
- If the member ceases employment on or after July 18, 2008 and is age 62 to 64 - the benefit reduction is 3% for each year the member’s attained age is less than 65:
  - Age 64 – 3% age reduction
  - Age 63 – 6% age reduction
  - Age 62 – 9% age reductionThe reduction remains constant for the entire year until the member reaches the next birthday.
- If the member ceases employment on or after July 18, 2008 and is age 55 to 61 – the benefit reduction is based on an actuarial factor assigned to the member’s age (rounded to the nearest month). The amount of the benefit is the actuarial equivalent value of the age 62 reduced benefit.

\*\*\*\*\*