

*THE HOUSING-RENEWAL AND LOCAL
AGENCY RETIREMENT PLAN
D/B/A
HOUSING AGENCY RETIREMENT TRUST
MODEL QDRO*

This Domestic Relations Order is provided as a sample of language that the Agency would find acceptable for the Housing-Renewal and Local Agency Retirement Plan d/b/a Housing Agency Retirement Trust which is a *defined contribution plan*. It is furnished as a convenience for legal counsel of the Participant and Alternate Payee and should be reviewed by such legal counsel before adoption on behalf of the Participant and Alternate Payee. Different language may be used; however, if this language is used and is appropriately completed, the order will likely be qualified once entered by the court. If different language is used, it may not be qualified. Appropriate headings, introductory language and signature lines should be added. In order to ensure the order is clear. Before the order can be qualified, it must be entered as an order of a state court with jurisdiction over domestic law matters.

IT IS HEREBY ORDERED AS FOLLOWS:

1. Status of Order

Drafting Note: The last sentence should be edited to use language that is customary for the jurisdiction of the court.

This order creates and recognizes the existence of an Alternate Payee's right to receive a portion of the Participant's benefits payable under an employer-sponsored defined contribution pension plan which is qualified under §501 of the Internal Revenue Code ("Code") and the Employee Retirement Income Security Act of 1974 ("ERISA"). It is intended to constitute a Qualified Domestic Relations Order under §414(p) of the Code and §206(d) of ERISA. This order is entered pursuant to the authority granted in Section _____ of the applicable domestic relations laws of the State/Commonwealth of _____.

2. Identification of Participant

Drafting Note: The correct name and mailing address of the participant and alternate payee must be included in the order before it can be qualified. The social security numbers and dates of birth of the participant and alternate payee must be provided before the benefit can be paid. The dates of birth of the Participant and Alternate Payee are also needed for identification. However, the social security numbers and dates of birth may be provided by a separate letter.

Name of Participant _____
Address of Participant _____

Social Security Number of Participant _____
Date of Birth of Participant _____

3. Identification of Alternate Payee

Name of Alternate Payee _____
Address of Alternate Payee _____

Social Security Number of Alternate Payee _____
Date of Birth of Alternate Payee _____

4. Identification of Plan

This order applies to benefits under the Housing-Renewal and Local Agency Retirement Plan d/b/a Housing Agency Retirement Trust referred to herein as the "Plan."

5. Amount of Benefits to Be Paid to the Alternate Payee

Drafting Note: It is best to provide the percentage or dollar amount, but not both. If you provide both the percentage and the dollar amount, both amounts must be the same. If both are provided and the percentage of the participant's accounts under the plan and the dollar amount provided are different, the order will not be qualified. The assignment date is the date as of which the benefit is to be divided. If the assignment date is specified as, for example, the date of separation or the date of divorce, that date must be provided in the order.

The participant's account balance by definition includes any outstanding loans, if applicable, unless stated otherwise. However, a promissory note may not be distributed to the alternate payee. Therefore, there must be sufficient amounts in the participant's account excluding any outstanding loans to satisfy the award.

Choose either alternative 1 or alternative 2, but **not** both. The order must indicate whether the alternate payee also gets earnings on the portion of the benefit awarded to the alternate payee from the assignment date through date of distribution. If either alternative 1 or alternative 2 is not selected, the order will not be qualified.

This order hereby awards to the Alternate Payee [_____%] or [\$_____] of the Participant's accounts under the Plan determined pursuant to the terms of the Plan on ("Assignment Date"). The Alternate Payee's share of the accounts shall (which includes any outstanding loans) become the Alternate Payee's separate property as of the Assignment Date.

Alternative 1

The Alternate Payee shall share in any allocable gains or losses on the share awarded to the Alternate Payee herein commencing on the Assignment Date through the date the amount assigned is distributed to the Alternate Payee.

Alternative 2

The Alternate Payee shall not share in any gains or losses on the share awarded to the Alternate Payee after the Assignment Date through the date the amount assigned is segregated for the benefit of the Alternate Payee.

6. Payment of Benefits to the Alternate Payee

The Alternate Payee may elect to receive payments from the Plan of the benefits assigned to the Alternate Payee under this order in any form in which such benefits may be paid under the Plan to the Participant (other than in the form of a joint and survivor annuity with respect to the Alternate Payee and his or her subsequent spouse) but only if the form elected complies with the minimum distribution requirements of §401(a)(9) of the Internal Revenue Code. Payments to the Alternate Payee pursuant to this order shall commence on any date elected by the Alternate Payee pursuant to the terms of the Plan, but no later the latest date permitted by §401(a)(9) of the Internal Revenue Code or the date the Participant must be commence benefits pursuant to the terms of the Plan if earlier.

7. Treatment of Alternate Payee as Participant's Spouse

If the Participant predeceases the Alternate Payee prior to payment of the benefit assigned to the Alternate Payee hereunder, the Alternate Payee's benefit will not be affected. The Alternate Payee's amount awarded to the Alternate Payee shall remain intact. In case of the death of the Alternate Payee prior to the distribution of the Alternate Payee's benefit assigned hereunder, the assigned benefit will be paid to the Alternate Payee's designated beneficiary, or if none, to the estate of the Alternate Payee.

8. Limitations

<i>Drafting Note:</i> This section must be included or the order may not be qualified.

- (A) Make any payment or take any action that is inconsistent with any federal law, rule, regulation or applicable judicial decision;
- (B) Provide any type or form of benefit or any option which is not otherwise provided under the terms of the Plan;

- (C) Provide the Alternate Payee with a joint and survivor annuity for the Alternate Payee's life and then for the life of a survivor of the Alternate Payee who is the Alternate Payee's subsequent spouse;
- (D) Provide total benefits having a greater actuarial value, as determined pursuant to the terms of the Plan, than would have been payable in the absence of this order; and
- (E) Pay benefits to the Alternate Payee that are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order.

9. Taxes

The Participant and Alternate Payee shall each be responsible for his or her own federal, state and local income taxes and any other taxes attributable to any and all payments made from the Plan which are received by the Participant and Alternate Payee, respectively.

10. Constructive Receipt

In the event the Plan trustee inadvertently pays to the Participant any benefits that are assigned to the Alternate Payee pursuant to the terms of this order, the Participant shall immediately reimburse the Alternate Payee within ten (10) days of such payments.