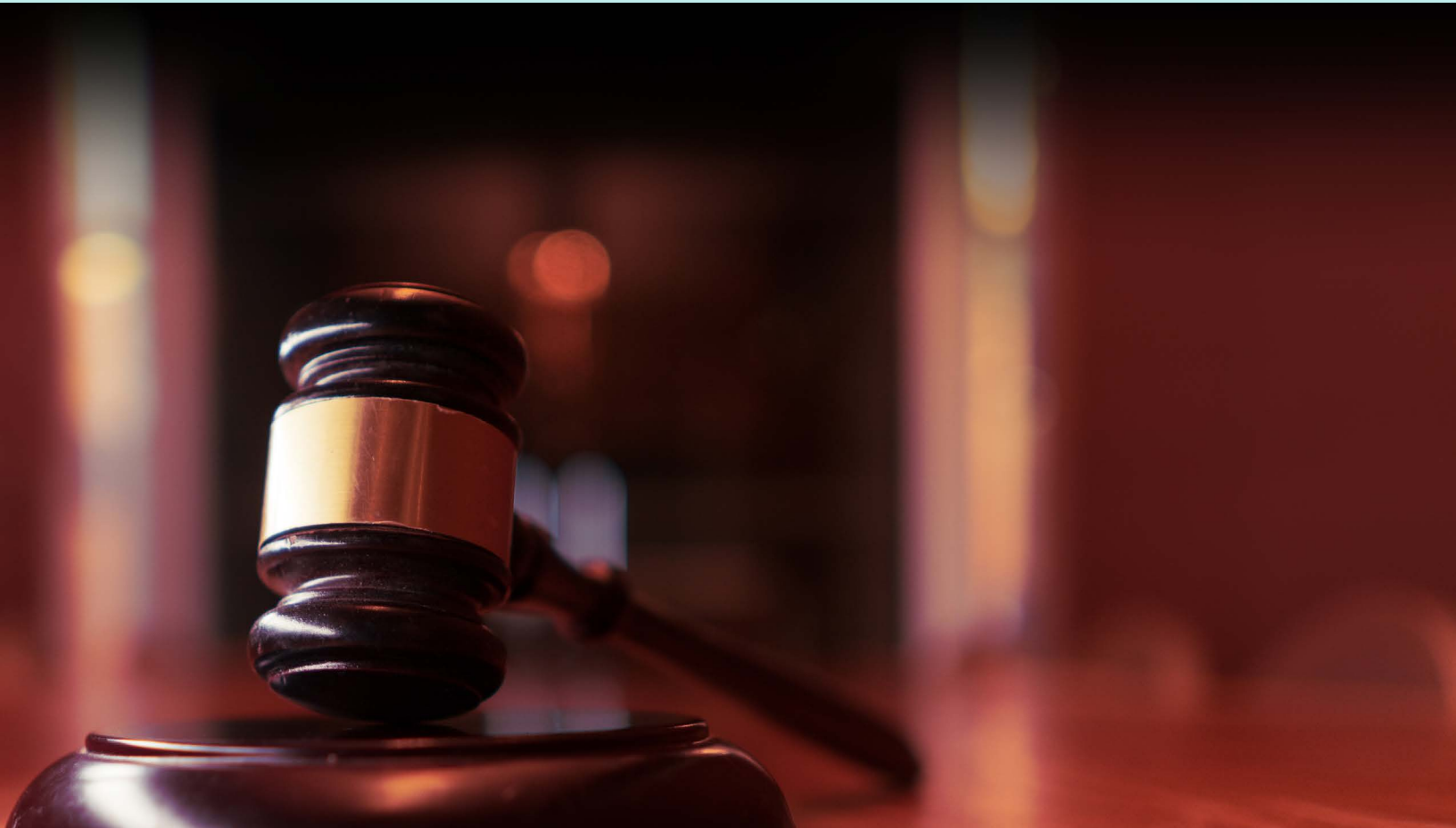


SSP QILDRO

Supplemental Savings Plan
Qualified Illinois Domestic Relations Orders:
Information for TRS Members in Divorce Proceedings



TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS



SUPPLEMENTAL SAVINGS PLAN

SSP QILDRO Mailing Checklist

Please read this important information:

Your mailing to TRS **will be returned unprocessed** unless **all** of the following are enclosed:

- Certified** copy of SSP QILDRO¹
- \$50 check** payable to Teachers' Retirement System for each SSP QILDRO²
- Completed **Consent to Issuance of QILDRO** form³
- Completed **Notice of Confidential Information Within Court Filing SSN** form⁴

1. *Plain or file-stamped copies are not accepted.*
2. *A new filing fee is required for each submission to TRS.*
3. *Consent form is required if TRS membership started prior to July 1, 1999 and you do not already have a valid QILDRO on file with TRS for the same member and alternate payee.*
4. *SSN form is required if full SSNs and the Alternate Payee's Date of Birth are not listed on page 1 of the SSP QILDRO submitted.*

Do not enclose Judgment of Dissolution or marital settlement agreement. It will be discarded without review.



To expedite processing, please direct your mailing to the attention of TRS Office of Legal Counsel.

Foreword

This publication applies only to the TRS Supplemental Savings Plan (SSP), a deferred compensation (DC) plan established by TRS pursuant to state law, 40 ILCS 5/16-204.

This publication and the required forms are available online at: www.trsil.org/QILDRO/Divorce-information

For information on QILDROs applicable to the TRS defined benefit (DB) plan, please consult the regular QILDRO publication available on the TRS website.

QILDROs are issued in accordance with Illinois state law, Article 1, Section 119 of the Illinois Pension Code, 40 ILCS 5/1-119. TRS has administrative rules that explain our procedures for QILDROs generally, at Illinois Administrative Code, Title 80, Subtitle D, Section 1650, Subpart M. The Pension Code and the Administrative Code are available on the General

Assembly website. Links are provided on the TRS website.

The TRS Office of Legal Counsel is available to provide information about SSP QILDROs. However, TRS attorneys and staff do not testify in divorce proceedings or provide legal, financial or other professional advice.

If this information conflicts with applicable law or administrative rules, the law and administrative rules prevail.

This subject matter may be of considerable financial and legal significance. It is strongly recommended that you obtain competent legal and financial advice and other expert assistance as needed.

SSP QILDROs

In January 2022, TRS launched the Supplemental Savings Plan (SSP) for eligible TRS members. The SSP is an optional deferred compensation (DC) plan operated in compliance with Section 457(b) of the Internal Revenue Code. Eligible members who choose to participate make contributions from their earnings to an individual retirement savings account. The SSP does not replace the traditional TRS DB plan.

TRS has adopted a new, separate QILDRO form for the division of participating member SSP accounts – the **SSP QILDRO**. “QILDRO” is an acronym for **Qualified Illinois Domestic Relations Order** (pronounced kwil-dro). An SSP QILDRO is a court order issued by an Illinois court which awards an alternate payee a specified portion of a participating member’s SSP account.

TRS will accept a valid SSP QILDRO if the member’s SSP account balance is at least \$1,000 as of the valuation date provided in the SSP QILDRO.

Please note that TRS cannot accept Qualified Domestic Relations Orders (QDROs). If TRS receives a QDRO for a member’s SSP account, it will be returned unprocessed.

What is an eligible interest?

A member’s eligible interest subject to division by an SSP QILDRO is the member’s total SSP account balance (assuming a balance of \$1,000 or more) as of the valuation date indicated in the SSP QILDRO. If the account balance is less than \$1,000 as of the valuation date, an SSP QILDRO cannot apply and will be returned unprocessed.

Who is the Recordkeeper?

TRS has engaged a third-party financial institution, Voya Financial of New York, as the Recordkeeper responsible for plan recordkeeping and administration of SSP accounts. Voya is referred to as the “Recordkeeper” throughout this publication. The Recordkeeper is responsible for all aspects of member and alternate payee account administration,

including all calculations relevant to SSP QILDROs, such as determining the member’s account balance as of the valuation date for purposes of calculating the alternate payee share, calculating the alternate payee share and calculating allocable investment gain and loss on the alternate payee share, if applicable.

Questions regarding SSP accounts, determination of member account balances, calculations of alternate payee share and calculations of allocable investment gain or loss if applicable, must be directed to the Recordkeeper, Voya Financial. TRS does not handle these matters.

Voya Financial
Attn: Teachers’ Retirement System
of the State of Illinois
P.O. Box 389, Hartford, CT 06141
participantservices@voya.com
844-TRS-457B (844-877-4572)

Do not send SSP QILDROs to the Recordkeeper.

SSP QILDROs sent to the Recordkeeper will have no effect on the member’s SSP account and will be discarded.

What is the valuation date?

A single valuation date must be provided in the SSP QILDRO. This date is used by the Recordkeeper as the date on which to determine the member’s account balance for purposes of calculating the alternate payee’s share and investment gains or losses, if applicable. For example, if the alternate payee share in an SSP QILDRO is 50%, and the valuation date is 6/15/2022, the Recordkeeper will determine the member’s account balance as of 6/15/2022 for purposes of calculating the value of 50% of the member’s account as of that date. An SSP QILDRO which provides a valuation date prior to the member’s account creation or a valuation date on which the member’s account balance was not sufficient to be considered an “eligible interest” for division, i.e., less than \$1,000, will be invalid. The valuation date cannot be a future date.

What about investment income and loss?

The alternate payee share can be transferred **including** or **not including** investment income and loss attributable to the alternate payee share from the valuation date until the date the Recordkeeper processes the division of the member's account. This must be indicated on the SSP QILDRO.

All questions regarding the calculation of investment income or loss on an alternate payee share should be directed to the Recordkeeper. TRS does not perform these calculations.

What benefits may be paid through an SSP QILDRO?

An SSP QILDRO applies **only** to Supplemental Savings Plan accounts established by members who choose to participate. An SSP QILDRO can only award an alternate payee a share of the balance accumulated in a member's SSP account and does not apply to any other benefits which may become payable to the member. An SSP QILDRO cannot direct a member to establish an SSP account or limit the participating member's options with respect to the SSP account, other than directing a portion of the member's eligible interest to be transferred to an alternate payee.

Will a QILDRO that applies to the TRS defined benefit plan apply to the SSP?

No. The defined benefit plan is separate from the SSP. Separate QILDROs are needed for the member's defined benefit plan and the SSP account.

Who is an alternate payee?

An alternate payee is typically an ex-spouse, but may be a current spouse, child or other dependent of the member.

What is the alternate payee share?

The alternate payee share is the portion of the member's SSP account that is awarded by the court to be transferred to the alternate payee from the member's SSP account. The alternate payee share must be designated in the SSP QILDRO as either a percentage or a dollar amount of the member's account balance.

What about Social Security numbers?

The law requires Social Security numbers (SSNs) in SSP QILDROs for tax-reporting obligations associated with payment of benefits. The Recordkeeper requires SSNs and the alternate payee's date of birth for creation and administration of the alternate payee account. TRS understands identity protection concerns and has policies and procedures in place to help protect SSNs and dates of birth. If complete SSNs and the alternate payee's date of birth are not shown on the court order, SSNs and the alternate payee's date of birth must be provided to TRS on an accompanying Notice of Confidential Information Within Court Filing form. This form is available on the TRS website along with the other SSP QILDRO and QILDRO forms. This form is not needed if complete SSNs and the alternate payee's date of birth are included on the face of the court order.

What is the consent requirement?

If TRS membership started before the QILDRO law took effect on July 1, 1999, the member's signed consent must accompany the SSP QILDRO. The consent form is available on the TRS website along with the SSP QILDRO form and other forms related to QILDROs. The consent form must be signed by the member. No one else may sign or compel signature. There is no consent requirement if TRS membership started on or after July 1, 1999. If TRS already has the member's signed Consent to Issuance of QILDRO form on file from a previous QILDRO between the same member and alternate payee, a new Consent to Issuance of QILDRO form is not required.

Completing the SSP QILDRO

The SSP QILDRO form is obtained from the TRS website, <https://www.trsil.org>. The form is designed to be filled in online and printed and must not be retyped. No language may be added to or deleted from the form. TRS cannot complete the SSP QILDRO for you.

Filing Procedure

Where to Send

Do not send SSP QILDROs to Voya Financial. If you do, it will be discarded and will have no effect on the member's SSP account.

SSP QILDROs must be sent to:

**Teachers' Retirement System
of the State of Illinois
Attn: Office of Legal Counsel
2815 W. Washington St.
P.O. Box 19253
Springfield, IL 62794-9253**

What to Send

- **Certified** copy of the SSP QILDRO
- \$50 check payable to Teachers' Retirement System for each SSP QILDRO
- Completed Consent to Issuance of QILDRO (if the member has pre-07/01/1999 service and you do not already have a valid QILDRO on file with TRS for the same member and alternate payee)
- Completed Notice of Confidential Information within Court Filing (unless full SSNs and alternate payee's date of birth are shown on the SSP QILDRO)

Other documents such as judgment of dissolution of marriage or marital settlement agreements are not needed or reviewed and **should not** be sent to TRS. They will be discarded.

SSP QILDRO Processing

Account Hold and Notice

When TRS receives an SSP QILDRO, it will instruct the Recordkeeper to place a hold on the member's

SSP account. During the account hold, the member will be unable to take any type of withdrawal from the SSP account until processing of the SSP QILDRO is complete.

Within 45 days of receipt of an SSP QILDRO, TRS will determine the validity of the order. If TRS determines that the SSP QILDRO is valid, TRS will provide notice to all parties and will direct the Recordkeeper to transfer the alternate payee share into a separate account under the alternate payee's name within the SSP.

Upon completion of the transfer of funds to the alternate payee account, the Recordkeeper will remove the account hold. If there are insufficient assets in the SSP account to fully satisfy the alternate payee share stated in the SSP QILDRO at the time of transfer to the alternate payee's account, 100% of the member's account balance will be transferred to the alternate payee. TRS is not responsible for any shortfall in the SSP account to fully satisfy the alternate payee share.

If TRS determines that the SSP QILDRO is invalid, TRS will provide notice to all interested parties, and will instruct the Recordkeeper to remove the account hold on the member's account.

Alternate Payee Account

When the Recordkeeper transfers funds from the member's SSP account, the member and alternate payee will be notified by the Recordkeeper. The alternate payee's separate account will mirror the investment allocation of the member's account. All questions regarding alternate payee accounts must be directed to the Recordkeeper. The alternate payee must work directly with the Recordkeeper to take any account actions or initiate any distribution or rollover. **TRS does not handle these matters.**

Expiration of SSP QILDRO

When an SSP QILDRO is determined to be valid, TRS directs the Recordkeeper to transfer the alternate payee share into a separate account under the alternate payee's name within the SSP. A valid SSP QILDRO initiates a **one-time** transfer of a specified portion of a member's account to an alternate payee. Once this transfer has been executed, no further benefits are payable to an alternate payee under an SSP QILDRO and the SSP QILDRO terminates.

Form Samples

Please use the forms (PDF) designed to be filled in online and printed from the TRS website, <https://www.trsil.org>. Following are samples of the required forms.

You must use fillable forms available on our website at www.trsil.org.

IN THE CIRCUIT COURT _____

)
) No. _____
)

SUPPLEMENTAL SAVINGS PLAN QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDER

THIS CAUSE coming before the Court for the purpose of entry of a Teachers' Retirement System of the State of Illinois Supplemental Savings Plan ("SSP") Qualified Illinois Domestic Relations Order ("QILDRO") under the provisions of Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119), the Court having jurisdiction over the parties and the subject matter hereof; the Court finding that one of the parties to this proceeding is a member of the Retirement System subject to Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119) who is also a participant of the SSP, an optional deferred compensation plan, established by the Retirement System pursuant to Section 16-204 of the Illinois Pension Code (40 ILCS 5/16-204), this order is entered to implement a division of that party's interest in the SSP; and the Court being fully advised;

IT IS HEREBY ORDERED AS FOLLOWS:

- I. The definitions and other provisions of Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119) are adopted by reference and made a part of this Order. This Order only applies to the member's interest in the SSP, and does not apply to any other benefits which may become payable to the member by the Retirement System.
- II. Identification of Retirement System, SSP Recordkeeper, and parties:

Retirement System: Teachers' Retirement System of the State of Illinois, Attn: Office of Legal Counsel, 2815 West Washington, P.O. Box, 19253, Springfield, IL 62794-9253

SSP Recordkeeper: Voya Financial *Note: Do not send SSP QILDROs to the SSP Recordkeeper, they will be discarded.*

Member: _____
(Name)

(Mailing address)

(Social Security number)

Alternate payee: _____
(Name)

(Mailing address)

(Social Security number) (Date of birth)

Notice of Confidential Information form required if complete SSNs and Alternate Payee date of birth not stated above.



(Member's name)



The alternate payee is the member's **(Check one)**:

current or former spouse current or former civil union partner child or other dependent

III. **Alternate Payee Share.** The Retirement System shall instruct the SSP Recordkeeper to transfer to the alternate payee the indicated amounts of any eligible SSP account balance of the member, under the following terms and conditions:

(a) **Transfer to alternate payee** (select ONLY a % percentage OR a \$ dollar amount to transfer to the alternate payee, NOT both):

_____ % of the member's account balance (enter percentage)

OR

\$ _____ of the member's account balance (enter dollar amount)

Note: the SSP Recordkeeper determines the member's account balance as of the valuation date to calculate the alternate payee's share.

Valuation Date: (mm/dd/yyyy) _____

Investment income and loss – must select one:

Including investment income and loss attributable to the alternate payee share from the valuation date stated above until the date the SSP Recordkeeper processes the division;

OR

Not including investment income or loss.

(b) If there are insufficient assets in the member's account to fully satisfy the alternate payee's share, the entire balance of the member's account will be transferred to the alternate payee, and this SSP QILDRO will be deemed satisfied upon completion of the transfer. The Retirement System shall have no liability for any shortfall caused by insufficient assets in the member's SSP account to fully satisfy the alternate payee's share.

IV. Distribution to the alternate payee may occur upon request by the alternate payee to the SSP Recordkeeper at any time following division. The alternate payee shall follow all procedures established by the SSP Recordkeeper, and the System shall have no responsibility for such distribution.

V. If the member began participating in the Retirement System before July 1, 1999, this Order shall not take effect unless accompanied by the written consent of the member as required under subsection (m) of Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119).

VI. The Court retains jurisdiction over this matter for all of the following purposes:

- (1) To establish or maintain this Order as an SSP Qualified Illinois Domestic Relations Order.
- (2) To enter amended SSP QILDROs to conform to the parties' Marital Settlement Agreement or Agreement for Legal Separation ("Agreement"), to the parties' Judgment for Dissolution of Marriage or Judgment for Legal Separation ("Judgment"), to any modifications of the parties' Agreement or Judgment, or to any supplemental orders entered to clarify the parties' Agreement or Judgment.
- (3) To enter supplemental orders to clarify the intent of the parties or the Court regarding the benefits allocated herein in accordance with the parties' Agreement or Judgment, with any modifications of the parties' Agreement or Judgment, or with any supplemental orders entered to clarify the parties' Agreement or Judgment. A supplemental order may not require the Retirement System to take any action not permitted under Illinois law or the Retirement System's administrative rules. To the extent that the supplemental order does not conform to Illinois law or administrative rule, it shall not be binding upon the Retirement System.

DATE: _____

SIGNED: _____

(Judge's Signature)

Certified copy required.

You must use fillable forms available on our website at www.trsil.org.

IN THE CIRCUIT COURT _____

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)

No. _____

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CONSENT TO ISSUANCE OF QILDRO

Member's name: _____

Member's Social Security number: _____

Alternate payee's name: _____

Alternate payee's Social Security number: _____

I, _____, a member of the
(Name of member)

Teachers' Retirement System of the State of Illinois, hereby irrevocably consent to the
(Name of retirement system)

issuance of a Qualified Illinois Domestic Relations Order. I understand that under the Order,

certain benefits that would otherwise be payable to me, or to my death benefit beneficiaries or

estate, will instead be payable to _____ . I
(Name of alternate payee)

also understand that my right to elect certain forms of payment of my retirement benefit or

member's refund may be limited as a result of the Order.

DATED: _____ SIGNED: _____

Original or certified copy required.



IN THE CIRCUIT COURT _____

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No. _____

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NOTICE OF CONFIDENTIAL INFORMATION WITHIN COURT FILING

PURSUANT TO Illinois Supreme Court rules, below are the full Social Security numbers for the parties whose Social Security numbers or date of birth are redacted within the Qualified Illinois Domestic Relations Order (QILDRO), QILDRO Calculation Court Order, or SSP QILDRO filed in the above-captioned matter. This information is not available to the public and this document will be stored in a separate location from the case file.

Member:

(Name)

(Current mailing address required.)

Nine-digit number required.
Last four digits will not be
accepted.

(Full Social Security number)

(Email address)

Alternate payee:

(Name)

(Current mailing address required.)

Nine-digit number required.
Last four digits will not be
accepted.

(Full Social Security number)

(Date of birth)

(Email address)

Prepared by:

(Name)

Date prepared: _____

(Firm name, if applicable)

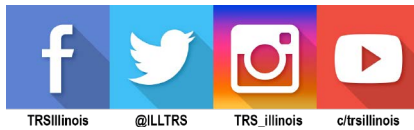
(Street address)

(City, State, Zip code)

(Phone number)

(Email address)





TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

2815 W. Washington | P.O. Box 19253 | Springfield, IL 62794-9253
877-927-5877 (877-9-ASK-TRS) | FAX: (217) 753-0964
members@trsil.org | <https://www.trsil.org>

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