

IN THE _____ COURT OF _____ COUNTY, _____

Plaintiff

vs.

Defendant

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No. _____

DOMESTIC RELATIONS ORDER

It is the intent of the Court that the provisions of this Domestic Relations Order operate as an effective assignment of a portion of _____ (Plan Participant) 's interest in the Tennessee Valley Authority (TVA) Retirement System (hereinafter, the Plan) and constitute a "Domestic Relations Order" in compliance with Section 414(p)(1)(A)(i) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as IRC), and the Procedures on Domestic Relations Orders of the TVA Retirement System.

A. The TVA Retirement System's address is 400 West Summit Hill Drive, WT 8A-K, Knoxville, Tennessee 37902.

B. _____ is the Plan Participant. (His/her) address is _____ . (His/her) Social Security number is _____ and (his/her) date of birth is _____ .

C. _____ is the Former Spouse. (His/her address is _____ . (His/her Social Security number is _____ and (his/her) date of birth is _____ .

D. The parties were granted a divorce in this matter on _____ (date) _____ .

E. Pursuant to IRC Section 414(p)(1)(A)(i), and in accordance with the domestic relations law of this State, Former Spouse is hereby assigned a portion of the Plan Participant's right, title and interest in and to the Plan, as set forth below:

1. (a) Division of a Recurring Monthly Benefit. Upon Plan Participant's eligibility for and receipt of recurring monthly benefits under the Rules and Regulations of the TVA Retirement System, the Former Spouse is entitled to \$ _____ per month, with applicable cost of living adjustments, to the extent the Plan Participant would have been eligible for such adjustments if payment were not being made hereunder to the Former Spouse, from Plan Participant's monthly benefits. The TVA Retirement System is directed to pay Former Spouse's share directly to the Former Spouse.

(b) Division of Fixed and Variable Fund Account[s]. The Former Spouse is awarded \$ _____ from Plan Participant's TVA Retirement System Fixed and Variable fund account[s]. The TVA Retirement System is directed to cause such amount to be paid directly to the Former Spouse.

Or

The Former Spouse is awarded [_____] % of Plan Participant's TVA Retirement System Fixed and Variable fund account[s] as of [date – any balance prior to September 1, 2006 must be as of the last day of that month]. The TVA Retirement System is directed to cause such amount to be paid directly to the Former Spouse.

(c) Division of TVA Savings and Deferral Retirement Plan (401(k) Plan) Account. The Former Spouse is awarded \$ _____ from Plan Participant's TVA Savings and Deferral Retirement Plan (401(k) Plan) account. The TVA Retirement System is directed to cause such amount to be paid directly to the Former Spouse.

Or

The Former Spouse is awarded [_____] % of Plan Participant's TVA Savings and Deferral Retirement Plan (401(k) Plan) account as of [date - no later than 15 days after date of this Domestic Relations Order]. The TVA Retirement System is directed to cause such amount to be paid directly to the Former Spouse.

2. For tax reporting purposes, benefits paid to Former Spouse pursuant to this Order shall be reported as income to the Former Spouse.

3. The single lump-sum amount to be distributed to the Former Spouse from the Plan Participant's Fixed and Variable Fund account, or the single lump sum to be distributed to the Former Spouse from the Plan Participant's 401(k) Plan account, shall in no event exceed the amount to the Plan Participant's credit in the respective account as of the date of distribution. Monthly benefits payable to Former Spouse from a recurring monthly benefit payable to the Plan Participant shall in no event exceed the recurring monthly benefit to which the Plan Participant is entitled under such Plan.

4. Any right to payment under this Domestic Relations Order will cease upon the death of the Plan Participant or the Former Spouse or upon receipt by the TVA Retirement System of a Domestic Relations Order which amends, vacates, or otherwise takes legal precedence over this Order. No survivor beneficiaries or survivor benefits are established pursuant to this Order.

5. In case of conflict between the terms of this Domestic Relations Order and the terms of the Plan, the terms of the Plan shall prevail.

ENTERED this the ____ day of _____, ____.

Judge

**FURTHER INFORMATION FOR TVA RETIREMENT SYSTEM
MODEL DOMESTIC RELATIONS ORDER**

1. The Plan Rules provide that a certified copy of the Domestic Relations Order must be received by the Plan before it can make a payment pursuant to it.
2. The Plan Rules provide that no alternate payee, other than a former spouse, is allowed.
3. Regarding section D of the Order, the date of divorce must be January 1, 2003 or later. The Retirement System cannot accept a domestic relations order for a marriage that ended by divorce or annulment prior to January 1, 2003.
4. Regarding section E.1 of the Order:
 - (a) The language in option (a) of the Order should be used to divide a plan participant's recurring monthly retirement benefit payment. The former spouse cannot receive a share of a monthly payment until the plan participant begins to receive the monthly benefit being divided. The plan participant may elect to begin receiving the monthly benefit upon termination of employment or defer the monthly benefit until age 55, but no later than age 65. The plan participant's TVA funded pension may be payable as a recurring monthly payment or a plan participant with a cash balance pension benefit may elect to cashout the pension benefit at termination of employment. However, if an Order provides a recurring monthly benefit to a former spouse, a plan participant with a cash balance pension benefit would not be eligible to elect a cashout at termination of employment. In some cases, a recurring monthly payment also includes an amount payable under an annuity funded by the plan participant's contributions to the Retirement System's Fixed and Variable funds. Because of the various optional forms of distribution for the pension and annuity, if applicable, and the Retirement System's level income plan, the Retirement System cannot accept a Domestic Relations Order which awards a percentage of a plan participant's benefit. The award must be in the form of a fixed dollar amount per month. Generally, the TVA funded pension benefit portion of a recurring monthly benefit, but not the portion attributable to an employee funded annuity,

may be eligible for cost of living adjustments as set forth in the TVARS Rules and Regulations. Any cost of living adjustment attributable to the pro-rata portion of the TVA funded pension paid to the former spouse will be added to the fixed dollar amount awarded, unless the Order specifically negates any cost of living adjustment.

(b) The language in option (b) of the order should be used to divide an amount to the plan participant's credit in the TVA Retirement System's Fixed and Variable funds. Only TVA employees who were hired before July 1, 2014 and have not transferred their Fixed and Variable funds to the TVA 401(k) Plan on or after May 1, 2005, may have a balance in the Fixed and Variable funds. The former spouse's share will be distributed in a single lump sum as soon as practicable after a certified copy of the Domestic Relations Order is received and accepted and all applicable information on taxation and rollover, if elected, is provided by the former spouse. Because a distribution to the former spouse of his/her entitlement is available as soon as practicable, interest or earnings (gains or losses) will not be paid on the amount of the entitlement and the amount of the entitlement cannot be segregated or invested separately for the former spouse. The single lump-sum amount payable to the former spouse can in no event exceed the plan participant's balance in the Fixed and Variable fund as of the date of distribution. Any distribution date for the Fixed and Variable Funds prior to September 1, 2006 must be as of the last day of that month.

(c) The language in option (c) of the Order should be used to divide an amount to the plan participant's credit in the TVA Savings and Deferral Retirement Plan (401(k) Plan). As discussed in (b) above, the former spouse's share can be distributed in a single lump sum after the Retirement System receives an acceptable certified Domestic Relations Order and information on taxation and rollover is provided. As with the Fixed and Variable funds, earnings will not be paid on the amount awarded to the former spouse and the amount of the award cannot be segregated or invested separately for the former spouse. The single lump-sum amount payable to the former spouse can in no event exceed the plan participant's balance in the 401(k) Plan as of the date of distribution.

5. Regarding section E.4 of the Order, the Plan Rules provide that any right to payment under the Domestic Relations Order will cease upon the death of the plan participant or former spouse or upon receipt of an acceptable subsequent Domestic Relations Order amending or vacating the previous Domestic Relations Order.

6. Also regarding section E.4 of the Order, the Plan Rules provide that a Domestic Relations Order MAY NOT designate a survivor beneficiary or provide for a survivor benefit. Any beneficiary designations or survivor option provisions must be applied for separately by the plan participant and will be approved to the extent permitted by the Plan.