

## PERS Tier One/Tier Two Alternate Payee Divorce Award of Reduction Payment Method (Non-Retired)

### Section A: Member and alternate payee (AP) information (Type or print clearly in dark ink.)

Member name	PERS ID (optional)
AP name	<b>Reduction - Each party pays their own taxes on benefits received.</b>

### Section B: Alternate payee award – reduction from member’s benefit

1. Award to AP from member’s gross monthly or lump sum service and/or disability retirement benefits. (Choose one.)
  - a. ☐ Percentage (up to two decimal places allowed) \_\_\_\_\_ % **or**
  - b. ☐ Monthly dollar amount \$ \_\_\_\_\_ **or**
  - c. ☐ Married time award (percentage of married time ratio) where:  
 The numerator of the married time ratio is the member’s creditable service time accrued during relationship:  
 Beginning on: \_\_\_\_\_ (mm/dd/yyyy). If this line is blank, the member’s total service credit through the below “ending on” date will be used.  
  
 Ending on: \_\_\_\_\_ (mm/dd/yyyy). This date is required.  
  
 The denominator of the married time ratio is the member’s total creditable service at time of payment.  
 The resulting married time ratio will then be multiplied by \_\_\_\_\_ % to obtain the married time award.
  
2. Limitations. (Only complete if applicable.)
 

☐ The award is in effect for a specific time and will end \_\_\_\_\_ (mm/dd/yyyy) **or**  
☐ The award is not to exceed \$ \_\_\_\_\_.
  
3. Is the member allowed to Withdraw prior to retirement eligibility?
 

☐ Yes, but requires written notarized consent from the AP.  
☐ Yes, member can withdraw without consent from the AP.  
 If neither yes box is selected above, the member will not be allowed to withdraw.  
**If either “Yes” is marked above and the member does withdraw (Choose one.):**  
☐ the AP award indicated in (1) above is paid from the member withdrawal.  
☐ the AP will receive no award from withdrawal, death, or retirement.

4. On or after the member's earliest retirement eligibility, but no later than the member's effective retirement date, the: (Choose one.)
- a. ☐ AP will be paid as a Reduction when the member retires.
- b. ☐ AP is eligible to convert to a Separate Benefit option by submitting an Alternate Payee Tier One/Tier Two Benefit Application. **Conversion to a separate benefit releases the member from beneficiary and retirement option restrictions.**  
If the AP does not submit the application prior to PERS processing the member's retirement, the AP will be defaulted and paid as a Reduction benefit.
- c. ☐ AP is required to convert to a Separate Benefit option and the AP: (Choose one.)
- ☐ must select either Option 1, Refund Annuity, or the 15 Year Certain benefit option.
- ☐ has no benefit option restrictions. (If neither box is selected, the AP will have no benefit option restrictions)
- If the AP does not submit an Alternate Payee Tier One/Tier Two Benefit Application prior to PERS processing the member's retirement, the AP's separate benefit will be defaulted to the Refund Annuity benefit option unless another default option is provided here: \_\_\_\_\_.

### Section C: Member beneficiary and option restrictions

5. Is the member required to designate the AP as beneficiary **before** retirement?
- If the AP is not designated as a pre-retirement beneficiary and the member dies pre-retirement, or before an AP's Separate Benefit award effective benefit date, the AP will receive no benefits of any kind.**
- a. ☐ Yes, the AP is designated as sole pre-retirement beneficiary.
- b. ☐ Yes, the AP is designated as a primary pre-retirement beneficiary with the balance payable to the member's designated secondary beneficiary. If a valid designation is not on file, or the secondary beneficiary predeceases the member, the remainder benefit will be paid in the following order: member's surviving spouse, member's surviving children, member's estate.  
The amount designated to the AP is: (Choose one.)
- ☐ \_\_\_\_\_ %
- ☐ 100% of the married time ratio as indicated in 1(c)
- ☐ the final married time award percentage derived from 1(c)
6. If 4(a) is selected, or 4(b) is selected and the AP does not convert to a Separate Benefit, is the member required to designate the AP as beneficiary **upon** retirement?
- a. ☐ Yes, the AP is designated as sole beneficiary.
- b. ☐ Yes, the AP is designated as primary beneficiary with the balance payable to the member's designated secondary beneficiary. If a valid designation is not on file, or the secondary beneficiary predeceases the member, the remainder benefit will be paid in the following order: member's surviving spouse, member's surviving children, member's estate.  
The amount designated to the AP is: (Choose one.)
- ☐ \_\_\_\_\_ %
- ☐ 100% of the married time ratio as indicated in 1(c)
- ☐ the final married time award percentage derived from 1(c)

If either (a) or (b) is selected above, the member:

- ☐ is required to retire under benefit option \_\_\_\_\_.
- ☐ is required to retire under a joint and survivorship option of the member's choosing.
- ☐ can select any option other than Option 1 or Lump Sum Option 1. (Beneficiary benefits may be limited or non-existent at the time of the member's death.)

If an option restriction is not provided above, the member may select any retirement option, including an option that does not provide death benefits.

If the AP dies before the member's retirement, any required beneficiary or retirement option restriction is lifted.

7. If 4(a) is selected, or 4(b) is selected and the AP does not convert to a Separate Benefit:  
If the member retires under **Police and Firefighter** eligibility and has a surviving spouse or minor children at the time of the member's death, the additional death benefit provided for survivors of certain P&F members under Oregon Revised Statute (ORS) 238.405 will be paid solely to the member's surviving spouse or minor children, unless a percentage is provided here:
- a. The AP is designated to receive \_\_\_\_\_ % of the ORS 238.405 benefit for the life of the member's surviving spouse or until the member's minor children reach the age of 18.
  - b. If a percentage is provided in (C.7.a.) above and the AP dies prior to the member's surviving spouse's death or minor children turning 18, the benefit will continue to the AP's beneficiary unless this box is checked:  
☐ Upon the AP's death, this benefit reverts to member's surviving spouse or minor children.

#### **Section D: Pre-Retired Death of member** (Applies when the AP award is a Reduction or a Separate Benefit)

**If the member dies before the AP and before AP's or member's retirement and the AP is a pre-retirement beneficiary in (5) above:**

The AP will receive death benefits per the parameters set forth in Section C (5).

**If the member dies before the AP and before the AP's or member's retirement and the AP is not a pre-retirement beneficiary:**

The AP receives no benefits of any kind.

**If the member dies pre-retirement but after a Separate Benefit AP's effective benefit date:**

The AP will not receive death benefits pursuant to the divorce.

#### **Section E: Post-Retired Death of Member**

(This section is applicable if 4(a) is selected in Section B or if 4(b) was selected and the AP does not convert to a Separate Benefit)

**If the member dies after retirement and the AP is receiving Reduction benefits and the AP is a beneficiary:**

The AP will receive a beneficiary benefit per the parameters set forth in Section C (6 and/or 7) and the AP's divorce benefit will end.

**If the member dies after retirement and the AP is receiving Reduction benefits and the AP is not a beneficiary\*:**

- ☐ The AP's divorce benefit ends. The member's retirement beneficiary will receive 100% of any beneficiary benefits.  
or

- ☐ The AP's divorce benefit continues as a Reduction from the member's beneficiary's benefit.

If Section B (1) provides a monthly dollar amount, the same dollar amount is paid to the AP from the beneficiary's monthly benefit. A monthly dollar amount will be converted to a percentage of the monthly benefit and applied to any lump sum beneficiary benefits and be paid to the AP as a Reduction from the beneficiary's benefit.

If Section B (1) provides a flat percentage or a married time award, the same percentage previously applied to the member's benefit will now be applied to the beneficiary's monthly or lump sum beneficiary benefits and paid to the AP as a Reduction from the beneficiary's benefit.

**When the AP dies\*:**

- ☐ The AP's divorce benefit ends. The member's beneficiary will receive 100% of the beneficiary benefits (if any).  
or

- ☐ The AP's divorce benefit continues as a Reduction from the pension beneficiary's gross benefits (if any) and is to be paid according to the last Designation of Beneficiary form filed by the AP, if valid. If the AP doesn't have a valid Designation of Beneficiary form on file, or the beneficiary predeceases the AP, the benefit will be paid in the following order: AP's surviving spouse, AP's surviving children, AP's estate.

\*The AP's divorce benefit will continue unless a selection to end the benefit is made.

## Section F: Death of Alternate Payee

### If the AP dies *before* the member and *before* retirement\*:

- ☐ The AP's divorce award reverts to the member. The member will receive 100% of PERS benefits.

or

- ☐ The AP's divorce award benefit (including Separate Benefit Awards) **will be paid as a Reduction** from the member's benefit when the member retires. The benefit will be paid according to the last Designation of Beneficiary form filed by the AP, if valid. If the AP doesn't have a valid Designation of Beneficiary on file, or the beneficiary predeceases the AP, the benefit will be paid in the following order: AP's surviving spouse, AP's surviving children, AP's estate.

### If the member dies before retirement:

No divorce award benefit is payable. The member's pre-retirement beneficiary will receive 100% of the member's pre-retirement death benefits (if any).

### If the member dies after retirement\*:

- ☐ The AP's divorce benefit ends. The member's beneficiary will receive 100% of the beneficiary benefits (if any).

or

- ☐ The AP's divorce benefit is payable to the AP's beneficiary and continues as a Reduction from the pension beneficiary's gross monthly benefit or any one-time beneficiary benefit payment.

If, under any above circumstances, the AP's beneficiary is to receive benefits as the AP's pre-retirement beneficiary, and the AP's beneficiary dies prior to when benefits are payable or prior to all benefits being paid out\*:

- ☐ The benefits revert to the member or the member's beneficiary.

or

- ☐ The benefits are to be paid to the AP's beneficiary's estate.

### If the AP dies *before* the member but *after* the AP begins receiving Reduction benefits from the member's retirement\*:

- ☐ The AP's divorce award reverts to the member. The member will receive 100% of PERS benefits.

or

- ☐ The AP's divorce award benefit continues as a Reduction from the member's benefit and is to be paid according to the last Designation of Beneficiary form filed by the AP, if valid. If the AP doesn't have a valid Designation of Beneficiary on file, or the beneficiary predeceases the AP, the benefit will be paid in the following order: AP's surviving spouse, AP's surviving children, AP's estate. **When the member dies**\*:

- ☐ The AP's divorce benefit ends. The member's beneficiary will receive 100% of the beneficiary benefits (if any).

or

- ☐ The AP's divorce benefit being paid to the AP's beneficiary or estate continues as a Reduction from the pension beneficiary's gross monthly benefit or any one-time beneficiary benefit payment.

### If the AP dies *after* retirement and the AP is receiving a Separate Benefit:

Any beneficiary benefits will be based on the option and beneficiary selected by the AP at retirement.

\*The AP's divorce benefit will continue unless a selection to end the benefit is made.

## Additional Information

Members and APs must track awards that have an end date or dollar limitation. They must notify PERS 60 days before the award end date or dollar limitation.

If the member elected a survivorship option, all benefits end upon the death of the member and the member's primary beneficiary.

Cost-of-living adjustments, or any other retirement allowance increases provided to the member, shall increase the amount paid to the AP of the member in the same proportion with the exception of monthly dollar amount awards. A monthly dollar amount award is set and does not receive increases.