

Letter 3 – Letter Explaining Order Is Not a QDRO

[Note to firm: Copy the following text and paste it into a blank document. Replace text in red with the information indicated. Print out on your firm's letterhead.]

[Date]

[Address]

Re: Domestic Relations Order Relating to the Benefits of [Participant's name] under the [Name of plan (e.g., ABC Firm Profit Sharing Plan)]

Dear [Participant/alternate payee]:

On [Date] you were notified that the plan had received an order that appeared to be a qualified domestic relations order (QDRO) as defined in Section 206(d)(3)(B)(i) of the Employee Retirement Income Security Act of 1974 (ERISA) and Section 414(p) of the Internal Revenue Code.

After reviewing the order and all comments sent in connection with it, it has been determined that the order is not a QDRO for the reasons noted below:

[Insert appropriate reasons.]

If I receive a revised order, the order will be reviewed in accordance with the procedures of the plan relating to a QDRO.

Following the plan's procedures described in the enclosed summary plan description, you may file a written claim for a review of my decision that the order is not a QDRO. You must file a claim with me within 60 days after you receive this letter. I will process your claim request in accordance with the plan's normal claim and appeal procedures.

Sincerely,

[Plan Administrator]

Enclosure[s]