

Letter 2 – Letter Explaining Order Is 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 firm 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, we have determined that the order is a QDRO. In following the order, the Plan Administrator shall authorize payment under the plan to the alternate payee[s] in the manner and at the time or times specified in the order.

Each alternate payee must notify me of:

- changes in his or her mailing address,
- changes in conditions or status that might, under the order, have an effect on the right of the alternate payee to receive benefits, and other occurrences that may be relevant to his or her plan rights under the order (such as a name change).

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 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]