

Apple Inc.

QDRO Procedures and Guidelines

GENERAL PROCEDURES AND POLICIES REGARDING THE ADMINISTRATION OF QUALIFIED DOMESTIC RELATIONS ORDERS

QDRO Consultants Co. as Designated QDRO Administrator

Apple Inc. has delegated to **QDRO Consultants Co. ("QDRO Consultants")** the authority to determine whether a domestic relations order ("DRO") is a qualified domestic relations order ("QDRO"). Copies of each DRO relating to the **Apple 401(k) Plan**, the qualified ERISA-governed savings plan ("Plan") sponsored by **Apple Inc.** should be forwarded to **QDRO Consultants** along with any associated correspondence relative to the DRO. All pertinent documentation and requests for QDRO information should be addressed to:

QDRO Consultants Co.
3071 Pearl Road
Medina, OH 44256
Attn: Apple QDRO Compliance Team
Phone: (800) 527-8481
Fax: (330) 722-2735

Review of Draft DROs

QDRO Consultants will review a draft DRO before it is executed by the court. Please feel free to have the DRO pre-approved before it is signed by the judge. During this review period, the Plan recordkeeper, Empower Retirement, will place a hold on the Participant's account balance under the Plan in order to prevent payment of such benefits to the Plan Participant, as described below.

Review of Certified DROs that Purport to be QDROs

Upon initial receipt by **QDRO Consultants** of a certified DRO that purports to be a QDRO, they will review the DRO to determine its qualified status as a QDRO in accordance with federal law. During this qualification review period, the Plan recordkeeper, Empower Retirement, will place a hold on the Participant's account balance under the Plan in order to prevent payment of such benefits to the Plan Participant, as described below.

Eighteen (18) Month Hold on Participant's Plan Account

Upon initial receipt by **QDRO Consultants** of (i) a draft or court-certified DRO that purports to be a QDRO, (ii) a divorce decree or separation agreement addressing the division of the Participant's benefits under the Plan, (iii) constructive written notice by an affected party or his/her legal counsel that a QDRO will be received or (iv) a Joinder that references the Plan, a hold will be placed on the Participant's accounts under the Plan. The hold will remain in effect for eighteen (18) months during which time the Participant will be prohibited from applying for, or receiving any withdrawals, transfers, loans or distributions under the Plan. However, this does not prohibit the Plan Participant from making investment choices during the hold period. If within eighteen (18) months after receipt of the DRO it is determined not to be a valid qualified domestic relations order, or the status of the DRO has not been finally determined, any separate accounting of amounts that would have been payable to the Alternate Payee under the DRO will be discontinued and the participant may apply to receive benefits in accordance with the terms of the Plan. Any determination thereafter that the DRO is a qualified domestic relations order shall be applied prospectively only.

The hold period on the Plan Participant's account may end earlier than the above 18-month period upon the earliest of any one of the following events:

- (i) qualification of the DRO as a QDRO and segregation of the award from the Participant's Plan account to an account in the Alternate Payee's name;
- (ii) receipt of a court order vacating a previously received DRO (the receipt of which caused the hold to be originally placed on the Participant's Plan account);
- (iii) if the hold resulted solely from a Joinder, the receipt of a court document dismissing or vacating the Joinder with respect to the Plan; or
- (iv) if the hold resulted from a dispute over a previous QDRO, expiration of the 90-day appeal deadline to provide an amended DRO or receipt of signature guaranteed documents from both Parties requesting removal of the hold prior to the expiration of the 90-day appeal period.

Notification of Rejected DROs

Once **QDRO Consultants** reviews the DRO, they will notify the Participant and each Alternate Payee (or his/her designated representative), in writing, of the determination as to the qualified status of the DRO. If the DRO is rejected, the notification letter will include the reasons why the DRO failed to qualify, along with sample QDRO forms, if necessary. The purpose of this letter is to assist the family law practitioner in expediting the QDRO approval process.

Notification of Approved DROs (The "*Interpretation Letter*")

If the DRO is deemed to qualify as a QDRO, **QDRO Consultants** will notify the parties regarding the DRO's approval as a QDRO and will distribute an Interpretation Letter to all parties setting forth the terms and provisions of the QDRO. The Interpretation Letter will state in clear terms the rights and entitlements of the Alternate Payee.

Thirty (30) Day Appeal Period Upon Approval of QDRO

Once the Interpretation Letter is distributed upon approval of the QDRO, the parties will have 30 days from the date of the Interpretation Letter to dispute the understanding of the QDRO as set forth in the Interpretation Letter prepared by **QDRO Consultants**. If any party to the proceeding does not agree with the terms set forth in the Interpretation Letter, they must respond in writing, within such 30 day period, explaining the provisions in dispute. During this 30 day appeal period, the Alternate Payee will not be permitted to commence his/her benefits. Upon the expiration of the appeal period, if neither party (nor their legal representatives) has disputed the terms of the QDRO in writing, then as soon as administratively practicable, the QDRO will be administered in accordance with its terms, the segregation of the award from the Participant's Plan account to an account in the Alternate Payee's name will occur, the hold on the Plan Participant's account will be lifted and the Alternate Payee may be eligible to commence benefits, to the extent he/she is otherwise eligible under the terms of the applicable Plan.

Important Note Regarding Waiver of Appeal Period: If the parties choose to expedite the payment of benefits to the Alternate Payee, they may waive their appeal rights, in writing, by mailing or faxing a letter to **QDRO Consultants** signed by each party indicating that they waive their appeal rights and do not dispute the terms of the QDRO as set forth under the Interpretation Letter. Following receipt by **QDRO Consultants** of a written waiver signed by each party, as soon as administratively practicable, the segregation of the award from the Participant's Plan account to an account in the Alternate Payee's name will occur, the hold on the Plan Participant's account will be lifted and the Alternate Payee will thereafter be entitled to apply for the immediate commencement of benefits, assuming he/she is otherwise entitled to do so in accordance with the terms of the QDRO and the applicable Plan.

Ninety (90) Day Extension in the Event of an Appeal

If, within the 30 day appeal period set forth above, one or both of the parties dispute the terms of the Interpretation Letter in writing, they will have 90 days from the date **QDRO Consultants** receives their written appeal to submit an amended QDRO that clarifies the intent of the parties. If an amended QDRO is not submitted by the end of the 90 day period, the originally approved QDRO will be administered in accordance with its terms as set forth under the original Interpretation Letter. During this 90 day extension, the Alternate Payee will not be permitted to commence his/her benefits, to the extent otherwise eligible.

Scope of Discussions with the QDRO Consultants Regarding QDRO Fairness and Equitability Issues

QDRO Consultants will avoid discussing fairness or equitability issues regarding the division of benefits under a QDRO. It is the responsibility of the parties' legal counsel to negotiate the substantive provisions of a QDRO. **QDRO Consultants** will limit its review to the technical requirements for QDROs as set forth under ERISA and Section 414(p) of the Internal Revenue Code.

Correcting or Terminating Payments

The Plan will retain any rights it may have under its terms to suspend or terminate payments to Alternate Payee and Participant provided that either Participant or Alternate Payee may contest such suspension or termination through any administrative remedies available under the Plan. Payments by the Plan pursuant to the QDRO will be without prejudice to any right the Plan has under applicable law to seek recoupment or offset for overpayment. If the Plan pays one party a portion of the other party's benefits under the Plan and the QDRO, the party receiving the overpayment will return that portion to the Plan, which in turn, will pass that portion on to the other Party.

QDROs Issued After Death of Participant or Alternate Payee

A DRO will not fail to be treated as a QDRO solely because it was received by the Plan Administrator after the death of the Participant or Alternate Payee. For example, if an attorney submits a *draft* DRO for pre-approval and the Participant or Alternate Payee dies before the DRO is executed by the Court, the Plan Administrator would honor a certified QDRO submitted after the Participant's or Alternate Payee's death assuming that it otherwise satisfies the requirements of a QDRO.

Use of Model QDROs

QDRO Consultants can provide to any party, upon request, a model QDRO for the **Apple 401(k) Plan**.

QDRO PROCEDURES AND GUIDELINES

Apple 401(k) Plan

The following items should be addressed in a QDRO

- **Names and Addresses:** Names and last known mailing addresses of the Participant and Alternate Payee must be included in the DRO;
- **Social Security Numbers:** Social security numbers of the Participant and Alternate Payee must be included in the DRO or provided in a separate document;
- **Dates of Birth:** Birth dates of the Participant and Alternate Payee must be included in the DRO or provided in a separate document;
- **Official Name of Plan:** The DRO must include the specific, legal name of the Plan - Apple 401(k) Plan;
- **Amount of Alternate Payee's Benefits:** The DRO must specify the amount or percentage of a Participant's total account balance to be awarded to the Alternate Payee, or the manner in which the amount or percentage is to be determined.
- **Commencement Date:** The date that the Alternate Payee is to commence his/her share of the benefits; alternatively, the DRO can include language that allows the Alternate Payee the right to elect to commence his/her benefits as soon as administratively feasible following the date that the QDRO is approved by QDRO Consultants;
- **Form of Benefit Payments:** The DRO may state the form of payment, provided that it is a permissible form of payment available under the Plan to Alternate Payees. If the DRO is silent regarding the form of payment, the Alternate Payee may choose either a lump sum distribution or partial withdrawals under the Plan.
- **Death of the Alternate Payee:** The DRO must state that upon the death of the Alternate Payee prior to receipt of the distribution by the Alternate Payee, the Plan shall distribute such benefits to the Alternate Payee's beneficiary or, if none, in accordance with the terms of the Plan. All beneficiary designations with respect to the Alternate Payee's award must be made after qualification of the DRO and segregation of a separate account for the Alternate Payee and pursuant to the administrative procedures established by the Plan. Any beneficiary designation(s) contained in the DRO with respect to the Alternate Payee's award will

- cause the DRO to be non-qualified.
- **Death of the Participant:** In the event of the death of the Participant after qualification, but prior to the receipt of a distribution to the Alternate Payee, the Alternate Payee will still be entitled to the benefits assigned under the QDRO.

Investment Earnings/Losses

The DRO should indicate whether investment gains/losses will be included in determining the Alternate Payee's award from the valuation date to account segregation date. If the DRO is silent with respect to investment gains/losses on the Alternate Payee's share of the benefits, the Plan Administrator will **not** recognize any change in value or incorporate any investment gains/losses on the amounts payable to the Alternate Payee from the valuation date specified in the QDRO to the account segregation date. However, once the Alternate Payee's share of the benefits is segregated from the Participant's account and transferred to a new account established on the Alternate Payee's behalf, he/she will bear any associated investment earnings or losses pending the distribution of his/her account balance regardless of any wording in the DRO.

Transfer of the Award from Participant's Plan Account and Establishment of the Alternate Payee's Account

A DRO may require the transfer of the Alternate Payee's award from specific investment options held by the Participant. If the Alternate Payee's award cannot be satisfied from such investment options or if the DRO does not contain specific direction, then the Alternate Payee's award will be transferred from the investments in the Participant's Plan account as follows:

(1) The Plan allows Participants to invest their accounts in individual brokerage accounts through the Personal Choice Retirement Accounts ("PCRA") program. If the Participant does not invest any portion of his or her account through PCRA the Alternate Payee's award will be transferred proportionately from the Participant's Plan account as invested on the date account segregation.

If the Participant invests all or a portion of his or her account in individual brokerage accounts through PCRA, the Alternate Payee's award will be transferred from the Participant's Plan account as follows:

(a) If the Alternate Payee's award can be satisfied entirely from the Participant's non-PCRA investments ("Core Investments"), only the Participant's Core Investments will be reduced. Such reduction will be made on pro-rata basis among the Core Investments.

(b) If the Alternate Payee's award cannot be satisfied entirely from the Participant's Core Investments, the Participant's Core Investments will be

reduced first. Thereafter, in order to satisfy the remaining portion of the Alternate Payee's award, the Participant's PCRA investments will be liquidated. Empower Retirement will notify the Participant that his or her PCRA investments will be liquidated and will ask the Participant to liquidate those PCRA investments that he or she so chooses. If the Participant fails to liquidate sufficient PCRA investments within 10 business days, the Empower Retirement will liquidate the Participant's PCRA investments in the following order:

- (i) Money market balances/cash
- (ii) OneSource mutual funds (excluding those that may incur a short-term redemption fee) in alphabetical order
- (ii) OneSource mutual funds (including those that may incur a short-term redemption fee) in alphabetical order
- (iv) Non-OneSource mutual funds in alphabetical order
- (v) Bonds (Treasuries first, then remaining bonds in alphabetical order)
- (vi) Common and preferred stocks in alphabetical order
- (vii) Any other investments remaining in the Participant's PCRA account

NOTE: All trades will be processed at a broker commission rate if commissions apply.

(c) If the Participant's Plan account is invested entirely in the PCRA investments, the Empower Retirement will notify the Participant that his or her PCRA investments will be liquidated and will ask the Participant to liquidate those PCRA investments that he or she so chooses. If the Participant fails to liquidate sufficient PCRA investments within 10 business days, Empower Retirement will liquidate the Participant's PCRA investments in the order shown above.

(2) When the Alternate Payee's award is segregated from the Participant's Plan account, it will be invested in the LifePath Fund that is based on the Alternate Payee's date of birth and an assumed retirement date of age 65, unless the DRO specifies a different investment election. Once the Alternate Payee's account is established, the Alternate Payee will need to contact **Empower Retirement at (844) 277-4401** to access his or her account and direct the investment of his or her account prior to distribution. Distribution may be made to the Alternate Payee at his or her election and in accordance with the terms of the Plan and the QDRO. All Plan-related transactions, such as requests by the Alternate Payee for distributions, rollovers, designation of a beneficiary, direction of investments, requests for information, etc., relating to his/her account must be made in accordance with the Plan's procedures.

(3) The award must be transferred proportionately from all contribution sources (e.g. before-tax contributions, Roth contributions, after-tax contributions, matching contributions, rollover contributions) in the Participant's Plan account as of the date of segregation. The DRO cannot specify that the Alternate Payee's award will be

transferred from a specific contribution source (i.e. matching contributions only). DROs that provide for this will be non-qualified.

Commencement of Benefits by the Alternate Payee

Once **QDRO Consultants** approves a QDRO, the Alternate Payee may be entitled to receive his/her distribution as soon as administratively feasible following the expiration of the 30 day appeal period and account segregation, as described above in “Thirty (30) Day Appeal Period Upon Approval of QDRO”, assuming no appeal was issued. Once the Alternate Payee is entitled to commence benefits, he/she should contact **Empower Retirement at (844) 277-4401** to request the necessary distribution election forms. The Alternate Payee may not initiate a distribution any later than the date the Participant would be required to commence benefits under section 401(a)(9) of the Internal Revenue Code.

Benefit Forms

The Alternate Payee may receive a lump sum distribution of his/her award or may elect partial distributions, in accordance with the terms of the Plan. If the DRO is silent regarding the form of payment, the Alternate Payee may choose either a lump sum distribution or partial withdrawals. Any Order that requires the Alternate Payee to receive a form of payment other than a lump sum distribution or partial distributions as described above will be non-qualified.

Valuation Date

The Valuation Date is the date as of which the Participant’s Plan account is to be valued for purposes of determining the Alternate Payee’s award. If the DRO is silent regarding the Valuation Date, the date on which the Alternate Payee’s account is segregated from the Participant’s Plan Account will be used as the Valuation Date. If the Plan account balance information is not available for a Valuation Date stated in the DRO, QDRO Consultants will use the closest previous Valuation Date available under the Plan. As a result of a change in recordkeepers for the Plan, the Plan is not able to obtain account balance information or calculate gains/losses on any Participant accounts for periods prior to October 1, 1990. Any order that states a Valuation Date prior to the earliest Valuation Date available for the Plan or any DRO for which the Valuation Date is unclear, will be non-qualified.

If the parties wish to determine the Alternate Payee’s award using account information prior to the earliest Valuation Date available, they must obtain Plan account information from either their own records and calculate the specific dollar amount of the award. Additionally, if earnings are to be credited on the award, the Parties must provide the dollar amount of the award adjusted for earnings for the applicable period prior to the earliest Valuation Date.

Outstanding Participant Loans

Unless otherwise specified in the QDRO, the Alternate Payee's share of the benefits will be calculated **after** the loan amount is first subtracted from the Participant's total account balance. In other words, the outstanding loan balance will be **excluded** from the Participant's total account balance when calculating the Alternate Payee's share of the benefits. **Example:** John had a total account balance under the Plan of \$100,000. However, he took a loan for \$20,000 just prior to his divorce. A QDRO is submitted shortly after their divorce that awards 50% of John's total account balance as of his date of divorce to his former spouse, Mary. If the QDRO is otherwise silent regarding the disposition of the outstanding loan balance, the QDRO will be interpreted to provide Mary with \$40,000 (ie: half of the remaining \$80,000 after the loan balance is subtracted). If, as a result of an outstanding loan balance, the Participant's non-loan assets are not sufficient to cover the award to the Alternate Payee, the DRO will be non-qualified. There will be no transfer of the Participant's loan liability to the Alternate Payee, and any DRO that attempts to assign loan liability to the Alternate Payee will be non-qualified.

Taxation

As required by the Internal Revenue Code, an Alternate Payee who is a spouse or former spouse of the Participant is responsible for any taxes incurred upon distribution of benefits. Payments to all other Alternate Payees (i.e., child support payments) are taxable to the Participant. It is **not** possible to change taxation rules by agreement of the Parties in a QDRO. Further, any language included in the QDRO that attempts to change taxation rules will cause the DRO to be non-qualified.

Prohibited Elements

A DRO cannot require the Plan to:

- Provide any type or form of benefit, or any option, not otherwise provided under the Plan,
- Provide benefits to the Alternate Payee in excess of the Participant's Plan account balance, or
- Pay benefits to the Alternate Payee which are required to be paid to another Alternate Payee under another DRO previously determined to be a QDRO.

Any DRO that requires the Plan to do any of the above will be non-qualified.

Debit of Participant's Account for Administrative Expenses

A separate, one-time QDRO review fee, in the amount of \$300.00 will be charged to the Participant's account upon initial review of the DRO. The fee can be allocated in one of the following manners:

- a. Divided equally between the Participant's and the Alternate Payee's account; or
- b. Entirely to the Participant's Account; or
- c. Entirely to the Alternate Payee's Account immediately following the assignment from the Participant's Account.

If the DRO does not specify how the QDRO review fee should be allocated, the fee will be allocated equally between the Participant's Account and the Alternate Payee's Account. The fee will be obtained on a pro rata basis from the investments in the Account(s). To the extent any portion of the fee is to be allocated to the Alternate Payee, upon the segregation of benefits the Alternate Payee's benefits shall be reduced accordingly. The DRO review fee will be charged regardless of whether or not the DRO is qualified.

Model QDRO Language for the Apple 401(k) Plan

Important Information! Please read carefully: The disposition of qualified plan benefits in domestic relations proceedings involves complex marital rights, legal and tax issues. Please keep in mind that each QDRO is unique and must be composed to fit the circumstances at hand. This Model Order can be modified, but must still meet the requirements of the Plan and these QDRO Procedures and Guidelines. Other methods are available, and this Model Order may be inappropriate for your particular circumstances. The following Model Order is a sample and is provided as a courtesy only. Neither Apple Inc., the Plan Administrator, QDRO Consultants, or their affiliates, employees, or agents are authorized to give financial, tax or legal advice; and they make no representation as to the Model Order's sufficiency under applicable federal or state law or as to its legal consequences. You should not use this Model Order without consulting your financial, tax and/or legal advisors.

Inclusion of Personal Data

Please be advised that some state courts prohibit the inclusion of certain personal information in court documents that will become public record. The parties may provide dates of birth and social security numbers under separate cover in the event that this information is not included in the Order. Failure to provide this information in the Order will not necessarily cause the Order to be non-qualified; however, it will delay the processing of the distribution to the Alternate Payee.

IT IS HEREBY ORDERED AS FOLLOWS:

1. Effect of This Order as a Qualified Domestic Relations Order: This Order creates and recognizes the existence of an Alternate Payee's right to receive a portion of the Participant's benefits payable under an employer-sponsored defined contribution Plan that is qualified under Section 401 of the Internal Revenue Code (the "Code") and the Employee Retirement Income Security Act of 1974 ("ERISA"). It is intended to constitute a Qualified Domestic Relations Order ("QDRO") under Section 414(p) of the Code.

2. Participant Information: The name, last known address, social security number and date of birth of the Plan "Participant" is:

Name: _____ ("Participant")

Address: _____

Social Security Number: _____

Birth Date: _____

Participant's Attorney Information:

Name of Attorney: _____

Address: _____

Phone: _____

3. Alternate Payee Information: The name, last known address, social security number and date of birth of the "Alternate Payee" is:

Name: _____ ("Alternate Payee")

Address: _____

Social Security Number: _____

Birth Date: _____

Alternate Payee's Attorney Information:

Name of Attorney: _____

Address: _____

Phone: _____

The Alternate Payee is the [spouse] [former spouse] [child] [dependent] of the Participant.

The Alternate Payee shall have the duty to notify the Plan Administrator in writing of any changes in his/her mailing address subsequent to the entry of this Order.

4. Plan Name: The name of the Plan to which this Order applies is the **Apple 401(k) Plan** (hereinafter referred to as "Plan").

Any changes in Plan Administrator, Plan Sponsor or name of the Plan shall not affect Alternate Payee's rights as stipulated under this Order.

5. Pursuant to State Domestic Relations Law: This Order is entered pursuant to the authority granted in the applicable domestic relations laws of the State of _____.

6. For Provision of Marital Property Rights and/or Spousal Support: This Order relates to the provision of [marital property rights] [spousal support][child support] to the Alternate Payee as a result of the Order of [Divorce] [Dissolution] between Participant and Alternate Payee. The Alternate Payee and Participant were married on xx/xx/xxx. The Alternate Payee and Participant were legally separated/divorced on xx/xx/xxx.

[for Section 7, first paragraph, please use either Alternative A or Alternative B, but not both]:

7. (Alternative A - Paragraph One): Amount of Alternate Payee's Benefit (Percentage Basis): This Order assigns to Alternate Payee an amount equal to _____ Percent (____%) of the Participant's Total Account Balance accumulated under the Plan as of _____ ("Valuation Date") or the closest valuation date thereto.

7. (Alternative B - Paragraph One): Amount of Alternate Payee's Benefit (Fixed Dollar Basis): This Order assigns to Alternate Payee a portion of the Participant's Total Account Balance accumulated under the Plan as of _____ ("Valuation Date") or the closest valuation date thereto, in an amount equal to \$_____.

IMPORTANT NOTE: Due to a change in Plan recordkeepers, the Plan Administrator cannot obtain account balance information or track investment gains/losses for periods prior to October 1, 1990. Therefore, be sure to utilize an effective Valuation Date in Alternative A or B above, that is on or after October 1, 1990.

Alternate Payee's Share Determined From All Account(s): When determining the Alternate Payee's assigned share of the benefits, the Participant's applicable total Account Balance shall include all amounts maintained under all of the various accounts, subaccounts and investment funds established on behalf of the Participant under the Plan.

Investment Earnings: Once the Alternate Payee's assigned share of the benefits is determined above, he/she **[shall] OR [shall not]** be entitled to any interest and investment earnings or losses attributable thereon for periods subsequent to the Valuation Date, until the date of account segregation.

Impact of Outstanding Loan Balance: In the event the Participant has an outstanding loan balance as of the Valuation Date specified above, then the Alternate Payee's assigned share of the benefits will **[include] OR [exclude]** the outstanding loan balance for purposes of calculating the account balances to be divided. The Alternate Payee's award will be paid from the non-loan assets in the Participant's account on the date that the award is segregated.

Establishment of New Account(s): The Alternate Payee's share of the benefits described above shall be **segregated and separately maintained** in Account(s) established on his/her behalf and shall additionally be credited with any interest and/or investment income or losses attributable thereon from the date of segregation until the date of total distribution to the Alternate Payee. To the extent allowed by the Plan, all beneficiary designations by the Alternate Payee will be made after qualification of the Order and segregation of a separate account for the Alternate Payee, pursuant to administrative procedures established by the Plan.

8. Commencement Date and Form of Payment to Alternate Payee: If the Alternate Payee so elects, he/she shall be paid his/her benefits as soon as administratively feasible following the date this Order is approved as a QDRO, or at the earliest date permitted under Plan, but not later than the date the Participant would be required to commence benefits under section 401(a)(9) of the Code. Benefits will be payable to the Alternate Payee in any form or permissible option otherwise available to Participants and Alternate Payee's under the terms of the Plan, including, but not limited to, a single lump-sum cash payment. The amount distributed to the Alternate Payee will be based on the value of the Alternate Payee's account on the date the distribution is processed.

9. Death of Alternate Payee: In the event of Alternate Payee's death prior to his/her receiving the full amount of benefits called for under this Order and under the benefit option chosen by Alternate Payee, such Alternate Payee's beneficiary(ies), as designated on the appropriate form provided by the Plan Administrator (or in the absence of a beneficiary designation, in accordance with the terms of the Plan), shall receive the remainder of any unpaid benefits under the terms of this Order, and in accordance with the benefit option selected by Alternate Payee.

10. Death of Participant: In the event that the Participant dies either **prior** to or **after** the establishment of a separate Account in the name of the Alternate Payee, the Participant's death shall in no way affect Alternate Payee's right to the portion of his/her benefits as stipulated herein.

11. Savings Clause: This Order is not intended, and shall not be construed in such a manner as to require the Plan:

- (a) to provide any type or form of benefit option not otherwise provided under the terms of the Plan;
- (b) to require the Plan to provide increased benefits determined on the basis of actuarial value; or
- (c) to require the payment of any benefits to the Alternate Payee which are required to be paid to another Alternate Payee under another order which was previously deemed to be a QDRO.

12. Tax Treatment of Distributions Made Under this Order: For purposes of Sections 402(a) and 72 of the Code, any Alternate Payee who is the spouse or former spouse of the Participant shall be treated as the distributee of any distribution or payments made to the Alternate Payee under the terms of this Order, and as such, will be required to pay the appropriate federal income taxes on such distribution. If the Alternate Payee is a child or other dependent of the Participant, the Participant will be responsible for any federal any/or state income taxes on any distribution.

13. Continued Jurisdiction: The Court shall retain jurisdiction with respect to this Order to the extent required to maintain its qualified status and the original intent of the parties as stipulated herein.

15. Correcting or Terminating Payments: The Plan will retain any rights it may have under its terms to suspend or terminate payments to Alternate Payee and Participant provided that either Participant or Alternate Payee may contest such suspension or termination through any administrative remedies available under the Plan. Payments by the Plan pursuant to this Order will be without prejudice to any right the Plan has under applicable law to seek recoupment or offset for overpayment. If the Plan pays one party a portion of the other party's benefits under the Plan and this Order, the party receiving the overpayment will return that portion to the Plan, which in turn, will pass that portion on to the other Party.

16. The Plan, the Plan sponsor, and/or any fiduciaries shall not be responsible for any attorney's fees incurred by the Participant or the Alternate Payee in connection with obtaining, modifying or enforcing this Order.

17. Debit of Participant's Account for Administrative Expenses: A separate, one-time QDRO review fee in the amount of \$300.00 will be charged to the Participant's account upon initial review of the DRO. The fee shall be allocated: **[CHOOSE ONE]**

- Entirely to the Participant's Account
- Entirely to the Alternate Payee's Account
- Divided Equally between the Participant's and the Alternate Payee's Account

In the event that the QDRO is silent with respect to the fee, or if this section is not completed, the fee will be equally divided between the Participant's and the Alternate Payee's Account. To the extent any portion of the fee is to be allocated to the Alternate Payee, upon the segregation of benefits the Alternate Payee's benefits shall be reduced accordingly.