

**Texas Instruments, Inc.**  
**Qualified Domestic Relations Order**  
**Procedures**

Updated June, 2014

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## Introduction

The purpose of this document is to set forth the procedures (the “Procedures”) that Texas Instruments, Inc. (“TI”) will follow to determine whether a Domestic Relations Order constitutes a Qualified Domestic Relations Order (“QDRO”).

**The completed Domestic Relations Order(s) must be forwarded to the following address:**

Texas Instruments, Inc.  
Attn: QDRO Administrator  
P.O. Box 650311, MS 3990  
Dallas, TX 75265-0311

Or

Texas Instruments, Inc.  
QDRO Administrator  
13570 North Central Expressway, MS 3990  
Dallas, TX 75243

## Section I Definitions

For purposes of these Procedures:

- (a) “**Alternate Payee**” means any spouse, former spouse, child or other dependent of a Participant who is recognized by a DRO as having a right to receive all, or a portion of the benefits payable under a Plan with respect to such Participant. Pursuant to ERISA 206(d)(3)(J), an Alternate Payee under a QDRO shall be treated as a beneficiary under the Plan entitled to ERISA protection.
- (b) “**Amendment Period**” means the thirty (30) day period following the determination that a DRO is a QDRO during which the Participant or any Alternate Payee may dispute the QDRO Administrator’s interpretation of the terms of the QDRO.
- (c) “**Code**” means the Internal Revenue Code of 1986, as amended. References to any Section of the Internal Revenue Code shall include any successor provision thereto.
- (d) “**Court**” means a domestic relations court, or similar court having competent jurisdiction.
- (e) “**DB Plan**” means the TI Pension Plan.
- (f) “**DC Non-Qualified Plan**” means the TI Deferred Compensation Plan.
- (g) “**DC Plan**” means the TI Contribution and 401(k) Savings Plan or the TI 401(k) Savings Plan.

- (h) “**Designated Representative**” means the individual designated in accordance with Section IV, herein, by the Alternate Payee, Participant, or, with respect to a DRO intended to collect child support owed by the Participant, the appropriate governmental entity to receive copies of notices and other information that are to be sent pursuant to these Procedures.
- (i) “**Determination Period**” means the period of time during which the QDRO Administrator, the Plan Attorney, or a court of competent jurisdiction determines whether the DRO is a QDRO. In general, the Determination Period shall continue for up to ninety (90) days from the date a DRO is received, provided however, that the QDRO Administrator may extend the ninety (90)-day Determination Period as provided in Section IV. However, in no event will the Determination Period exceed a period of eighteen (18) months from the date on which payment would first be required under the DRO if the DRO were determined to be a QDRO.
- (j) “**Domestic Relations Order**” (“DRO”) means a certified Order signed by the judge with the court clerk stamp or seal that (i) is a Final Judgment, Decree or Order or an approved property settlement agreement incident to such a final decree (including a final decree modifying the terms of a previously issued decree or approved property settlement agreement incident to such modified decree), (ii) relates to the provision of child support, alimony payments or marital property rights to a spouse, former spouse, child or other dependent of a Participant, and (iii) is issued in accordance with the domestic relations law of the jurisdiction of that Court (including a community property law).
- (k) “**ERISA**” shall mean the Employee Retirement Income Security Act of 1974, as amended. References to any Section of ERISA shall include any successor provision thereto.
- (l) “**Final Judgment, Decree or Order**” means a decree from which no appeal may be taken or from which no appeal has been taken within the time allowed for taking such appeals under the laws applicable to such appeals, or a decree from which timely appeal has been taken and such appeal has been finally decided under the laws applicable to such appeals.
- (m) “**Order**” means a judgment, decree or order issued by a court.
- (n) “**Participant**” means an employee or former employee who has met the participation requirements of the Plan.
- (o) “**Plan**” shall mean, singularly or collectively, as the context requires, the (i) TI Contribution and 401(k) Savings Plan, (ii) TI 401(k) Savings Plan, (iii) TI Deferred Compensation Plan or (iv) TI Pension Plan.
- (p) “**Plan Administrator**” shall mean the Administration Committee designated pursuant to the terms of the applicable Plan. The Plan Administrator may assign or delegate duties to a third party under the terms of the Plan or by means of a separate written agreement.
- (q) “**Plan Attorney**” shall mean the attorney selected by the Plan Administrator to assist with determination of whether a DRO qualifies as a QDRO.
- (r) “**Procedures**” means these Texas Instruments, Inc. Qualified Domestic Relations Order Procedures.

- (s) **“QDRO Administrator”** means the person(s) (including a committee) primarily responsible for determining whether a DRO is a QDRO.
- (t) **“Qualified Domestic Relations Order”** (“QDRO”) means an Order that (i) is a DRO, (ii) creates or recognizes the existence of an Alternate Payee’s right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable with respect to a Participant under a Plan, (iii) clearly specifies the name and last known mailing address, if any, of the Participant and the name and mailing address of each Alternate Payee covered by the Order (unless the Plan Administrator under the Plan has reason to know any such address independently of the Order), (iv) clearly specifies the amount or percentage of the Participant’s benefits to be paid to each Alternate Payee, or the manner in which such amount or percentage is to be determined, (v) clearly specifies the number of payments or period in which the Order applies, (vi) clearly specifies each Plan to which the Order applies, (vii) does not require a Plan to provide any type or form of benefits or any option, not otherwise provided under the Plan, and (viii) does not require a Plan to provide increased benefits (determined on the basis of actuarial values) or require the payment of benefits to an Alternate Payee that are already required to be paid to another Alternate Payee under another Order previously determined to be a QDRO.

## **Section II Designated Representatives**

The Participant and any Alternate Payee may select a Designated Representative to receive copies of notices and other information that are to be sent pursuant to these Procedures by submitting to the Plan Administrator or the QDRO Administrator a written notification that (i) sets forth the name and mailing address of the Designated Representative and (ii) authorizes the Plan Administrator and/or QDRO Administrator to send copies of all such notices and other information to the Designated Representative. Furthermore, in the event the DRO has been prepared by a governmental entity to collect child support owed by the Participant, the appropriate governmental entity (such as the Office of Attorney General in Texas) may select a Designated Representative to receive copies of notices and other information that are to be sent to the Alternate Payee under these Procedures. If the Plan Administrator receives a written notice appointing a Designated Representative, the Plan Administrator shall forward the notice to the QDRO Administrator as soon as reasonably possible.

## **Section III Procedures Upon Receipt of DRO or Notice of a Forthcoming DRO**

### **Restrictions on Plan Accounts**

Once the QDRO Administrator receives a DRO or written notice indicating that a DRO is forthcoming from a Participant, an individual who will be named as an Alternate Payee, or the Designated Representative and the QDRO Administrator can determine the Plan(s) to which the DRO relates or will relate, the QDRO Administrator shall take the following steps:

- (i) Restrict the applicable Plan account of the Participant named or to be named in the DRO in accordance with Section IV for a period of time not to exceed ninety (90) days, except as otherwise provided in Section IV.

- (ii) In the case of the receipt of a notice of a forthcoming DRO send to the Participant, Alternate Payee(s) (at the mailing address specified in the DRO or the notice or, if there is no mailing address specified, then to the last known address, if any), and any Designated Representative(s):
  - (a) a Notice of Restricted Account; and
  - (b) if the QDRO Administrator has not already done so, a copy of these Procedures, a copy of the appropriate Sample QDRO (Exhibit A for the DC Plan, Exhibit B for the DC Non-Qualified Plan and Exhibit C for the DB Plan).
- (iii) In the case of the receipt of a DRO, send to the Participant, Alternate Payee(s), and any Designated Representative(s):
  - (a) a Letter Acknowledging Receipt; QDRO Determination Pending; and
  - (b) if the QDRO Administrator has not already done so, a copy of these Procedures, a copy of the appropriate Sample QDRO (Exhibit A for the DC Plan, Exhibit B for the DC Non-Qualified Plan and Exhibit C for the DB Plan).

Notwithstanding the foregoing, if upon receipt of a DRO, it is determined that the DRO satisfies the requirements of a QDRO and no additional time is needed to make the determination, the QDRO Administrator should send to the Participant, Alternate Payee(s), and any Designated Representative(s):

- (a) a Letter Acknowledging Receipt and Qualification; and
- (b) if the QDRO Administrator has not already done so, a copy of these Procedures, a copy of the appropriate Sample QDRO (Exhibit A for the DC Plan, Exhibit B for the DC Non-Qualified Plan and Exhibit C for the DB Plan).

## **Section IV Account Restrictions**

### **A. Effect of Account Restriction**

While a restriction is placed on a Participant's account pursuant to this Section IV, the Participant will not be able to receive benefit payments from the restricted account, make withdrawals from the restricted account, or take out a loan against the restricted account (to the extent that withdrawals and loans are permitted under the Plan).

### **B. Restrictions Upon Receipt of Forthcoming DRO**

Upon the QDRO Administrator's receipt of written notice of a forthcoming DRO which identifies the Plan to which the DRO will apply, the QDRO Administrator shall place a restriction on the Participant's account in the applicable Plan for a period of time not to exceed ninety (90) days while the parties prepare a draft of the DRO. Notwithstanding the foregoing, the QDRO Administrator may, in its sole discretion, extend the ninety (90) day restriction period for a period of time it deems necessary for the parties to complete a draft of the

DRO, provided that the extension may in no event extend beyond the end of the Determination Period. If the ninety (90) day restriction period expires, and the QDRO Administrator reasonably believes no DRO is forthcoming, then the QDRO Administrator shall remove the restriction from the account. If the QDRO Administrator has received no further contact from the Participant, the Alternate Payee, or any Designated Representative during the ninety (90) day restriction period, it shall be considered reasonable for the QDRO Administrator to believe that no DRO is forthcoming and the Plan restriction shall lapse.

### **C. Restrictions During the Determination Period After Receipt of a DRO**

Upon the QDRO Administrator's receipt of a DRO which identifies the Plan to which the DRO will apply, the QDRO Administrator shall place a restriction on the Participant's account(s) in the applicable Plan for a period of time not to exceed ninety (90) days while the QDRO Administrator determines whether the DRO constitutes a QDRO. Notwithstanding the foregoing, the QDRO Administrator may, in its sole discretion, extend the ninety (90) day restriction period for a period of time it deems necessary for a determination to be made on whether the DRO constitutes a QDRO, provided that the extension may in no event extend beyond the end of the Determination Period. In the event that the QDRO Administrator extends the Determination Period, prior to the termination of the initial ninety (90) day Determination Period, the QDRO Administrator shall notify the Participant and each Alternate Payee in writing of the special circumstances requiring an extension of time and the date by which the QDRO Administrator expects to render a final determination.

- (i) If during the Determination Period, the DRO is determined to be a QDRO, the QDRO Administrator shall establish a QDRO account for the benefit of the Alternate Payee and shall make payments to the Alternate Payee as provided by the terms of the QDRO. The restrictions on the Participant's account shall remain in place until the expiration of the Amendment Period, or if earlier, upon the receipt of a properly completed Waiver of Amendment Period from the Participant and each Alternate Payee named in the QDRO.
- (ii) If during the Determination Period, it is determined that the DRO is not a QDRO, or if at the end of the Determination Period, the issue as to whether such DRO is a QDRO is not resolved, then the QDRO Administrator shall remove the restriction from the account(s).
- (iii) Any determination that a DRO is a QDRO made after the expiration of the Determination Period shall be applied prospectively only.

## **Section V QDRO Determination**

### **A. Engagement of Plan Attorney**

Within a reasonable period of time following the QDRO Administrator's receipt of a DRO, the QDRO Administrator shall conduct a preliminary review of the DRO to determine whether the assistance of the Plan Attorney is necessary. If the assistance of the Plan Attorney is necessary, the QDRO Administrator shall forward the DRO to the Plan Attorney for review as soon as possible. If the assistance of a Plan Attorney is not necessary, the QDRO Administrator shall proceed with the steps described in paragraphs B. and C. of this Section VI.

### **B. QDRO Determinations**

- (i) Except as provided in paragraph (ii) of this Section V.B., within ninety (90) days following receipt of the DRO, the QDRO Administrator and/or the Plan Attorney shall determine

whether the DRO is a QDRO pursuant to the requirements of ERISA Section 206(d)(3), Code Section 414(p). The QDRO Administrator shall notify the Participant, each Alternate Payee, and any Designated Representative of the determination on the qualification of a DRO by sending either a Qualification Letter if the DRO is determined to be a QDRO or a Denial Letter if the DRO is determined not to be a QDRO, or if no determination can be made regarding the qualified status of the DRO.

- (ii) If special circumstances require an extension of time in which to make a qualification determination, the QDRO Administrator shall notify the Participant and each Alternate Payee in writing of the special circumstances requiring an extension of time and the date by which the QDRO Administrator expects to render a final determination. Such notice must be provided to the Participant and each Alternate Payee prior to the termination of the initial ninety (90)-day period. In no event shall any such extension go beyond the end of the Determination Period.

### **C. Default Rules (DC Plans)**

To the extent that the DRO is silent with respect to certain issues, the QDRO Administrator and/or Plan Attorney shall utilize the following default rules in determining whether or DRO is a QDRO and in interpreting the terms of the DRO:

- (i) If a DRO does not address outstanding loans with respect to a Participant, the amount of any outstanding loan shall not be taken into consideration when calculating the benefits awarded to the Alternate Payee under the DRO. For example, if a QDRO awards the Alternate Payee 50% of the Participant's account as of a certain date and does not address outstanding loans, and as of that date the Participant's account holds \$10,000 and there is a \$2,000 loan outstanding (so that the participant's total account balance is \$12,000), the Alternate Payee will be awarded \$5,000 (i.e., 50% of the \$10,000 account balance not considering the \$2,000 outstanding loan).
- (ii) If the DRO does not specify the treatment of earnings and losses on a Participant's account between the date used to calculate the Alternate Payee's benefits under the QDRO and the date the Alternate Payee's benefits are either distributed or allocated to a separate account for the Alternate Payee, the Alternate Payee shall not share in any earnings and losses on his or her portion of the account between those two dates.
- (iii) Pursuant to the terms of the DC Plans, a Participant's beneficiary designation form designating the Participant's spouse as the beneficiary becomes null and void upon divorce, unless the ex-spouse is appropriately designated as the Alternate Payee in a QDRO for purposes of any death benefits available under the DC Plans.

Pursuant to the terms of the DC Non-Qualified Plan, if a Participant's ex-spouse is an Alternate Payee under a QDRO, he/she may be considered a beneficiary if he/she is appropriately designated as the Alternate Payee in a QDRO for purposes of any death benefits available under the DC Non-Qualified Plan.

- (iv) If the QDRO assigns DC Plan benefits as of a certain date (the "Assignment Date") prior to January 5, 2009, because of recordkeeping limitations, the Participant's Plan account shall be valued as of the following "Valuation Dates":

- For an Assignment Date from January 1, 2003 to December 31, 2004, the December 31 coinciding with or nearest in time to the Assignment Date; and
- For an Assignment Date from January 1, 2005 to January 4, 2009, the March 31, June 30, September 30, or December 31 coinciding with nearest in time to the Assignment Date.

If the Assignment Date is prior to January 1, 2003, the QDRO Administrator shall seek advice from the Plan Attorney.

## **Section VI**

### **Procedures if DRO is Determined to be a QDRO**

A. If the QDRO Administrator and/or the Plan Attorney determines that the DRO is a QDRO, then the Plan Administrator shall send the Participant, each Alternate Payee and any Designated Representative a Qualification Letter with the attached Waiver of Amendment Period. The Qualification Letter states that the DRO is a QDRO, and sets forth, in a manner calculated to be understood by the Participant and the Alternate Payee, the QDRO Administrator's interpretation of the terms of the QDRO, including but not limited to the amount and timing of payments to be made under the QDRO. If the qualification of the QDRO is contingent upon the QDRO Administrator's reasonable interpretation of any provision in the DRO being correct, such contingency must be described in the Qualification Letter. If the Participant, Alternate Payee, or any Designated Representative disagrees with the interpretation, they must contest it during the Amendment Period described in the Qualification Letter.

If the Participant and each Alternate Payee agree with the QDRO Administrator's interpretation of the terms of the QDRO as described in the Qualification Letter, such individuals may complete and submit the Waiver of Amendment Period. Each Alternate Payee and the Participant must properly complete and submit the Waiver of Amendment Period for the Amendment Period to be waived.

B. Upon the expiration of the Amendment Period, or if earlier, upon the receipt of a properly completed Waiver of Amendment Period from the Participant and each Alternate Payee, the QDRO Administrator shall take the following steps:

- (i) Segregate, in a separate account, the amounts payable to the Alternate Payee (or a governmental entity, if the DRO was prepared by a governmental entity to collect child support owed by the Participant), including any amount that would have been payable during the Determination Period and the Amendment Period;
- (ii) Direct the record keeper of the Plan to take all actions necessary to comply with the terms of the QDRO; and
- (iii) Send the Participant, each Alternate Payee, and the Designated Representative a Notice of Division of Benefits.

**Section VII**  
**Procedures if Determination Cannot be Made or if DRO is**  
**Determined Not to be a QDRO**

A. If the QDRO Administrator and/or the Plan Attorney are unable to make a determination that the DRO is a QDRO within the Determination Period, or determine that the DRO is not a QDRO, then the QDRO Administrator shall provide the Participant, each Alternate Payee and any Designated Representative with the applicable Sample QDRO (Exhibit A for the DC Plan, Exhibit B for the DC Non-Qualified Plan, Exhibit C for the DB Plan) and a Denial Letter setting forth in a manner calculated to be understood by the Participant and the Alternate Payee the following information:

- (i) The specific reasons the DRO failed to qualify as a QDRO, or the specific reasons why a determination could not be made as to whether the DRO qualified as a QDRO;
- (ii) Specific references to pertinent Plan provisions, DRO provisions, statutory provisions and/or case law provisions on which the determination is based;
- (iii) A description of any additional material or information necessary to perfect the DRO and an explanation as to why such material is necessary; and
- (iv) Appropriate information as to the steps to be taken if the Participant or Alternate Payee (or Designated Representative) wishes to submit a modified DRO for review.

B. If the QDRO Administrator and/or Plan Attorney determine that the DRO is not a QDRO and the DRO is not modified and submitted before the end of the Determination Period, the QDRO Administrator shall take the following steps:

- (i) Refuse to make payments pursuant to the DRO; and
- (ii) Take any and all necessary action to resist the enforcement of the DRO or, if appropriate, in the opinion of the QDRO Administrator and/or the Plan Attorney, resolve the question of whether the DRO is a QDRO in the Court issuing the DRO, in a Federal district court, or in both, by appeal or otherwise.

**Section VIII**  
**General Provisions**

If the Plan is made a party defendant in any type of action relative to a QDRO, the QDRO Administrator and the Plan Attorney shall take the following steps:

- (a) File the appropriate pleadings, if any;
- (b) Send copies of these Procedures to the parties involved in the action; and
- (c) Take any and all action necessary to determine that the DRO at issue is a QDRO.

In the event that QDRO Administrator is notified that a Participant or Alternate Payee has declared bankruptcy, the QDRO Administrator shall contact the Plan Attorney to ensure that the impending bankruptcy does not impact either the Participant or Alternate Payee's benefit under the Plan and/or benefit potentially payable pursuant to the terms of a DRO or QDRO.

**Section IX**  
**QDRO Administrator Contact Information**

All correspondence to the QDRO Administrator and questions regarding QDROs should be sent to the address below. All correspondence must be in writing. You should keep a copy, for your records, of any correspondence you send to the QDRO Administrator. In order to protect your rights, you should keep the QDRO Administrator informed of any address changes with respect to the Participant, Alternate Payee or any Designated Representative.

Texas Instruments, Inc.  
Attn: QDRO Administrator  
PO Box 650311, MS 3990  
Dallas, TX 75265-0311  
1-888-660-1411 (select option 3)

**Exhibit A  
Sample QDRO-DC Plan**

STATE OF \_\_\_\_\_ CASE NO. \_\_\_\_\_

COUNTY OF \_\_\_\_\_ IN THE \_\_\_\_\_ COURT OF

\_\_\_\_\_ COUNTY, \_\_\_\_\_

IN THE MATTER OF THE MARRIAGE OF:

\_\_\_\_\_ (Petitioner)

AND

\_\_\_\_\_ (Respondent)

**QUALIFIED DOMESTIC RELATIONS ORDER**

This Qualified Domestic Relations Order (“Order”) is an integral part of the Decree of Divorce signed in this cause on \_\_\_\_\_, 20\_\_\_\_. This Order is intended to meet the requirements for a “qualified domestic relations order” (“QDRO”) under Section 414(p) of the Internal Revenue Code of 1986, as amended (the “Code”), and Section 206(d) of the Employee Retirement Income Security Act of 1974, as amended. This Order is entered pursuant to the authority granted under the applicable domestic relations laws of the state of \_\_\_\_\_ **[Enter appropriate state].**

In compliance with those requirements, the Court specifies, finds, and ORDERS as follows:

1. This Order assigns a portion of the benefits payable under the *[insert name of applicable plan(s):* TI Contribution and 401(k) Savings Plan / TI 401(k) Savings Plan *]* (the “Plan”) to \_\_\_\_\_ **[Alternate Payee’s name]** (“Alternate Payee”) in recognition of **her/his** marital rights in \_\_\_\_\_’s **[Participant’s name]** (“Participant”) benefits payable under the Plan.

2. Participant in the Plan is \_\_\_\_\_, whose last known mailing address is \_\_\_\_\_, whose birth date is \_\_\_\_\_, and whose Social Security number is \_\_\_\_\_.

3. Alternate Payee is \_\_\_\_\_, whose last known mailing address is \_\_\_\_\_, whose birth date is \_\_\_\_\_, and whose Social Security number is \_\_\_\_\_. Participant and Alternate Payee were married on \_\_\_\_\_.

4. As part of a just and right division of the estate of the parties, Alternate Payee is hereby awarded an amount equal to **[Select (A) or (B) below]:**

(A) \_\_\_\_\_% of the Participant's vested account balance under the Plan as of the following "Assignment Date" (select one) (**Note: A QDRO cannot include an Assignment Date prior to January 1, 2003**):

- the most recent valuation date which occurred on or before \_\_\_\_\_, 20\_\_\_\_\_, the date of divorce;
- the most recent valuation date which occurred on or before \_\_\_\_\_, 20\_\_\_\_\_; or
- The marital portion accrued from the most recent valuation date which occurred on or before \_\_\_\_\_, 20\_\_\_ to the most recent valuation date which occurred on or before \_\_\_\_\_, 20\_\_\_.

"Valuation date" shall mean (i) with respect to any Assignment Date from January 1, 2003 to December 31, 2004, the December 31 coinciding with or preceding the Assignment Date, (ii) with respect to any Assignment Date from January 1, 2005 to January 4, 2009, the March 31, June 30, September 30, or December 31 coinciding with or preceding the Assignment Date, or (iii) with respect to any Assignment Date on or after January 5, 2009, "Valuation Date" as defined in the Plan.

From the Assignment Date to the date that payment is made (the "Distribution Date") the amount assigned to the Alternate Payee (select one):

- Will include earnings and losses.
- Will not include earnings and losses.

The Participant's vested account (select one):

- Will be reduced by outstanding loans before the Alternate Payee's portion of the benefit is determined. For example, if a QDRO awards the Alternate Payee 50% of the Participant's account as of a certain date, and as of that date, the Participant's account holds \$10,000 and there is a \$2,000 loan outstanding (so that the participant's total account balance is \$12,000), the Alternate Payee will be awarded \$5,000 (i.e., 50% of \$10,000 based on the \$12,000 total account balance reduced by the \$2,000 outstanding loan).
- Will not be reduced by outstanding loans before the alternate payee's portion of the benefit is determined. For example, if a QDRO awards the Alternate Payee 50% of the Participant's account as of a certain, and as of that date, the Participant's account holds \$10,000 and there is a \$2,000 loan outstanding (so that the participant's total account balance is \$12,000), the Alternate Payee will be awarded \$6,000 (i.e., 50% of the \$12,000 account balance).

The Alternate Payee:

- Shall be entitled to a proportionate share of any early retirement subsidy to which the Participant is or may become entitled.
- Shall not be entitled to any share of any early retirement subsidy to which the Participant is or may become entitled.

(B) The Order assigns to the Alternate Payee an amount equal to \$\_\_\_\_\_ of the Participant's vested account balance under the Plan as of the date that payment is made (the "Distribution Date").

**[The following paragraphs must be present in all Orders]**

The Alternate Payee shall be paid [his/her] benefits as soon as feasible following the date this Order is approved as a QDRO, or at the earliest date permitted under the Plan, if later. Payment shall be made in a single lump-sum option. If a lump-sum option is not available, Alternate Payee shall be permitted to choose among the available payment options.

5. As soon as administratively possible, Participant's benefits payable to Alternate Payee shall be segregated into a separate account under the Plan by the Plan Administrator in accordance with this Order. If there are any remaining assets in Alternate Payee's separate account at the end of a Plan Year which ends after the date of the segregation, all earnings, gains and losses on Alternate Payee's separate account as of the end of such Plan Year shall be the sole and separate property of Alternate Payee.

6. The award to Alternate Payee under paragraph 4 of this Order is expressly made subject to the following provisions:

(a) This Order shall not be interpreted in any way to require the Plan to provide any type or form of benefit or any option not otherwise provided under the Plan.

(b) This Order shall not be interpreted in any way to require the Plan to pay any benefits to an Alternate Payee named in this Order that are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order.

(c) This Order shall not be interpreted in any way to require the payment of benefits to Alternate Payee not otherwise provided for under the Plan or required by law.

(d) If, after the date of this Order, the amount of any benefit otherwise payable to Participant is increased or decreased as a result of amendments to the law governing the Plan, Alternate Payee shall receive a proportionate part of that increase or decrease, as applicable, unless such a change would disqualify this Order.

7. The Alternate Payee shall not be treated as the Participant's spouse under the Plan for purposes of Sections 401(a)(11) and 417 of the Code. In the event of the Participant's death, the account balance which remains the property of the Participant, will be payable to the Participant's designated beneficiary or in accordance with Plan provisions. This Order does not require the Participant to name the Alternate Payee as the beneficiary for the benefits not assigned to the Alternate Payee.

If the Participant predeceases the Alternate Payee prior to payment of the Alternate Payee's assigned benefits under the Plan, the Alternate Payee's benefits will not be affected.

In case of the death of the Alternate Payee prior to distribution of the Alternate Payee's benefits from the Plan, the assigned benefits will be paid to the Alternate Payee's designated beneficiary or, if none, in accordance with Plan provisions.

8. All benefits payable under the Plan other than those payable to Alternate Payee above shall be payable to Participant in the manner and form that Participant elects in his sole and undivided discretion, subject only to Plan requirements.

9. Alternate Payee is ORDERED to report any retirement payments received on any applicable income tax return and to promptly notify the Plan of any changes in Alternate Payee's mailing address. The Plan is authorized to issue a Form W-2P or Form 1099R on any direct payment made to Alternate Payee.

10. Participant is designated a constructive trustee for receiving any retirement benefits under the Plan that are due to Alternate Payee in accordance with this Order but paid to Participant. Participant is ORDERED to pay the benefit defined in this paragraph directly to Alternate Payee within three days after receipt by Participant. All payments made directly to Alternate Payee by the Plan shall be a credit against this Order.

11. The Court retains jurisdiction to amend this Order so that it will constitute a qualified domestic relations order under the Plan even though all other matters incident to this action or proceeding have been fully and finally adjudicated.

SIGNED on \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
JUDGE PRESIDING

APPROVED AS TO FORM:

\_\_\_\_\_  
**Participant, or Participant's Designated Representative**

\_\_\_\_\_  
**Alternate Payee, or Alternate Payee's Designated Representative**

**Exhibit B  
DC Non-Qualified Plan**

STATE OF \_\_\_\_\_ CASE NO. \_\_\_\_\_

COUNTY OF \_\_\_\_\_ IN THE \_\_\_\_\_ COURT OF

\_\_\_\_\_ COUNTY, \_\_\_\_\_

IN THE MATTER OF THE MARRIAGE OF:

\_\_\_\_\_ (Petitioner)

AND

\_\_\_\_\_ (Respondent)

**QUALIFIED DOMESTIC RELATIONS ORDER**

This Qualified Domestic Relations Order (“Order”) is an integral part of the Decree of Divorce signed in this cause on \_\_\_\_\_, 20\_\_\_\_. This Order is intended to meet the requirements for a “qualified domestic relations order” (“QDRO”) under Section 414(p) of the Internal Revenue Code of 1986, as amended (the “Code”), and Section 206(d) of the Employee Retirement Income Security Act of 1974, as amended. This Order is entered pursuant to the authority granted under the applicable domestic relations laws of the state of \_\_\_\_\_ **[Enter appropriate state]**.

In compliance with those requirements, the Court specifies, finds, and ORDERS as follows:

1. This Order assigns a portion of the benefits payable under the TI Deferred Compensation Plan (the “Plan”) to \_\_\_\_\_ **[Alternate Payee’s name]** (“Alternate Payee”) in recognition of **her/his** marital rights in \_\_\_\_\_’s **[Participant’s name]** (“Participant”) benefits payable under the Plan.

2. Participant in the Plan is \_\_\_\_\_, whose last known mailing address is \_\_\_\_\_, whose birth date is \_\_\_\_\_, and whose Social Security number is \_\_\_\_\_.

3. Alternate Payee is \_\_\_\_\_, whose last known mailing address is \_\_\_\_\_, whose birth date is \_\_\_\_\_, and whose Social Security number is \_\_\_\_\_. Participant and Alternate Payee were married on \_\_\_\_\_.

4. As part of a just and right division of the estate of the parties, Alternate Payee is hereby awarded an amount equal to **[Select (A) or (B) below]:**

(A) \_\_\_\_\_% of the Participant's vested account balance under the Plan as of the following "Assignment Date" (select one) (**Note: A QDRO cannot include an Assignment Date prior to January 1, 2003:**)

- the most recent valuation date which occurred on or before \_\_\_\_\_, 20\_\_\_\_, the date of divorce;
- the most recent valuation date which occurred on or before \_\_\_\_\_, 20\_\_\_\_; or
- The marital portion accrued from the most recent valuation date which occurred on or before \_\_\_\_\_, 20\_\_ to the most recent valuation date which occurred on or before \_\_\_\_\_, 20\_\_.

"Valuation date" shall mean (i) with respect to any Assignment Date from January 1, 2003 to December 31, 2004, the December 31 coinciding with or preceding the Assignment Date, (ii) with respect to any Assignment Date from January 1, 2005 to January 4, 2009, the March 31, June 30, September 30, or December 31 coinciding with or preceding the Assignment Date, or (iii) with respect to any Assignment Date on or after January 5, 2009, "Valuation Date" as defined in the Plan.

From the Assignment Date to the date that payment is made (the "Distribution Date") the amount assigned to the Alternate Payee (select one):

- Will include earnings and losses.
- Will not include earnings and losses.

(B) The Order assigns to the Alternate Payee an amount equal to \$\_\_\_\_\_ of the Participant's vested account balance under the Plan as of the date that payment is made (the "Distribution Date").

**[The following paragraphs must be present in all Orders]**

The Alternate Payee shall be paid **[his/her]** benefits as soon as feasible following the date this Order is approved as a QDRO, or at the earliest date permitted under the Plan, if later. Payment shall be made in a single lump-sum option.

5. As soon as administratively possible, Participant's benefits payable to Alternate Payee shall be segregated into a separate account under the Plan by the Plan Administrator in accordance with this Order. If there are any remaining assets in Alternate Payee's separate account at the end of a Plan Year which ends after the date of the segregation, all earnings, gains and losses on Alternate Payee's separate account as of the end of such Plan Year shall be the sole and separate property of Alternate Payee.

6. The award to Alternate Payee under paragraph 4 of this Order is expressly made subject to the following provisions:

(a) This Order shall not be interpreted in any way to require the Plan to provide any type or form of benefit or any option not otherwise provided under the Plan.

(b) This Order shall not be interpreted in any way to require the Plan to pay any benefits to an Alternate Payee named in this Order that are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order.

(c) This Order shall not be interpreted in any way to require the payment of benefits to Alternate Payee not otherwise provided for under the Plan or required by law.

(d) If, after the date of this Order, the amount of any benefit otherwise payable to Participant is increased or decreased as a result of amendments to the law governing the Plan, Alternate Payee shall receive a proportionate part of that increase or decrease, as applicable, unless such a change would disqualify this Order.

7. The Alternate Payee shall not be treated as the Participant's spouse under the Plan for purposes of Sections 401(a)(11) and 417 of the Code. In the event of the Participant's death, the account balance which remains the property of the Participant, will be payable to the Participant's designated beneficiary or in accordance with Plan provisions. This Order does not require the Participant to name the Alternate Payee as the beneficiary for the benefits not assigned to the Alternate Payee.

If the Participant predeceases the Alternate Payee prior to payment of the Alternate Payee's assigned benefits under the Plan, the Alternate Payee's benefits will not be affected.

In case of the death of the Alternate Payee prior to distribution of the Alternate Payee's benefits from the Plan, the assigned benefits will be paid to the Alternate Payee's designated beneficiary or, if none, in accordance with Plan provisions.

8. All benefits payable under the Plan other than those payable to Alternate Payee above shall be payable to Participant in the manner and form that Participant elects in his sole and undivided discretion, subject only to Plan requirements.

9. Alternate Payee is ORDERED to report any retirement payments received on any applicable income tax return and to promptly notify the Plan of any changes in Alternate Payee's mailing address. The Plan is authorized to issue a Form W-2P or Form 1099R on any direct payment made to Alternate Payee.

10. Participant is designated a constructive trustee for receiving any retirement benefits under the Plan that are due to Alternate Payee in accordance with this Order but paid to Participant. Participant is ORDERED to pay the benefit defined in this paragraph directly to Alternate Payee within three days after receipt by Participant. All payments made directly to Alternate Payee by the Plan shall be a credit against this Order.

11. The Court retains jurisdiction to amend this Order so that it will constitute a qualified domestic relations order under the Plan even though all other matters incident to this action or proceeding have been fully and finally adjudicated.

SIGNED on \_\_\_\_\_ 20\_\_\_\_.

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JUDGE PRESIDING

APPROVED AS TO FORM:

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**Participant, or Participant's Designated Representative**

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**Alternate Payee, or Alternate Payee's Designated Representative**

**Exhibit C**  
**Sample QDRO-DB Plan**

STATE OF \_\_\_\_\_ CASE NO. \_\_\_\_\_  
COUNTY OF \_\_\_\_\_ IN THE \_\_\_\_\_ COURT OF  
\_\_\_\_\_ COUNTY, \_\_\_\_\_

IN THE MATTER OF THE MARRIAGE OF:

\_\_\_\_\_ (Petitioner)

AND

\_\_\_\_\_ (Respondent)

**QUALIFIED DOMESTIC RELATIONS ORDER**

This Qualified Domestic Relations Order (“Order”) is an integral part of the Decree of Divorce signed in this cause on \_\_\_\_\_, 20\_. This Order is intended to meet the requirements for a “qualified domestic relations order” (“QDRO”) section 414(p) of the Internal Revenue Code of 1986, as amended (the “Code”), and Section 206(d) of the Employee Retirement Income Security Act of 1974, as amended. This Order is entered pursuant to the authority granted under the applicable domestic relations laws of the state of \_\_\_\_\_ **[Enter appropriate state].**

In compliance with those requirements, the Court specifies, finds, and ORDERS as follows:

1. This Order assigns a portion of the benefits payable under the TI Employees Pension Plan (the “Plan”) to \_\_\_\_\_ **[Alternate Payee’s name]** in recognition of **her/his** marital rights in \_\_\_\_\_’s **[Participant’s name]** benefits under the Plan.

2. Participant in the Plan is \_\_\_\_\_, whose last known mailing address is \_\_\_\_\_, whose birth date is \_\_\_\_\_, and whose Social Security number is \_\_\_\_\_.

3. Alternate Payee is \_\_\_\_\_, whose last known mailing address is \_\_\_\_\_, whose birth date is \_\_\_\_\_, and whose Social Security number is \_\_\_\_\_. Participant and Alternate Payee were married on \_\_\_\_\_.

4. As part of a just and right division of the estate of the parties, Alternate Payee is hereby awarded an amount equal to **[Select (A), (B) or (C) below]:**

(A.) \_\_\_\_\_% of the Participant's accrued benefit under the Plan as of the following valuation date (select one):

Current date

\_\_\_\_\_, 20\_\_\_\_\_.

Any actuarial reduction that might be necessary to base the Alternate Payee's benefit on the Alternate Payee's lifetime should be applied to the Alternate Payee's benefit. Further, early commencement reductions shall be made as necessary to reflect commencement of the Alternate Payee's benefit prior to the Participant's normal retirement age or prior to commencement of benefit payments to the Participant. Except as provided below, if such reductions are required, they shall be determined on the basis of the Plan's actuarial assumptions.

Except as provided below, the Alternate Payee shall have no rights to any increase in the Participant's benefits under the Plan caused by service, earnings, separation program, or Plan amendments occurring subsequent to the valuation date, or to the portion of the Participant's accrued benefit under the Plan not assigned in this Order.

If the Plan pays a cost-of-living increase or any other post-retirement benefit increase to the Participant while the Alternate Payee is receiving an annuity, the amount of any benefit payment the Alternate Payee is receiving (select one):

Will be increased

Will not be increased

in proportion to the Alternate Payee's share of the Participant's benefit.

(B) This Order assigns to the Alternate Payee an amount equal to \_\_\_\_\_% of the marital interest in the Participant's accrued benefit under the Plan as of the earlier of the termination of the Participant's employment or commencement of benefit payments to the Alternate Payee.

Any actuarial reduction that might be necessary to base the Alternate Payee's benefit on the Alternate Payee's lifetime should be applied to the Alternate Payee's benefit. Further, early commencement reductions shall be made as necessary to reflect commencement of the Alternate Payee's benefit prior to the Participant's normal retirement age or prior to commencement of benefit payments to the Participant. Except as provided below, if such reductions are required, they shall be determined on the basis of the Plan's actuarial assumptions.

Except as provided below, the Alternate Payee shall have no rights to any increase in the Participant's benefits under the Plan caused by service, earnings, separation program, or Plan amendments occurring subsequent to the valuation date, or to the portion of the Participant's accrued benefit under the Plan not assigned in this Order.

If the Plan pays a cost-of-living increase or any other post-retirement benefit increase to the Participant while the Alternate Payee is receiving an annuity, the amount of any benefit payment the Alternate Payee is receiving (select one):

Will be increased

Will not be increased

in proportion to the Alternate Payee's share of the Participant's benefit.

(C.) Select One:

This Order assigns to the Alternate Payee an amount equal to \$\_\_\_\_\_ of the Participant's monthly accrued benefit under the Plan, but not to exceed the total value of the Participant's accrued benefit. The Alternate Payee shall have no rights in or to any amount of the Participant's accrued benefit under the Plan not assigned by this Order.

This Order assigns to the Alternate Payee a one-time lump sum amount equal to \$\_\_\_\_\_ of the Participant's accrued benefit under the Plan, but not to exceed the total value of the Participant's accrued benefit. The Alternate Payee shall have no rights in or to any amount of the Participant's accrued benefit under the Plan not assigned by this Order.

For annuity payments, any actuarial reduction that might be necessary to base the Alternate Payee's benefit on the Alternate Payee's lifetime should be applied to the Alternate Payee's benefit. Further, if applicable, early commencement reductions shall be made as necessary to reflect commencement of the Alternate Payee's benefit prior to the Participant's normal retirement age or prior to commencement of benefit payments to the Participant. Except as provided below, if such reductions are required, they shall be determined on the basis of the Plan's actuarial assumptions.

Except as provided below, the Alternate Payee shall have no rights to any increase in the Participant's benefits under the Plan caused by service, earnings, separation program, or Plan amendments occurring subsequent to the valuation date, or to the portion of the Participant's accrued benefit under the Plan not assigned in this Order.

If the Plan pays a cost-of-living increase or any other post-retirement benefit increase to the Participant while the Alternate Payee is receiving an annuity, the amount of any benefit payment the Alternate Payee is receiving (select one):

Will be increased

Will not be increased

in proportion to the Alternate Payee's share of the Participant's benefit.

**[The following paragraphs must be present in all Orders]**

Except as otherwise noted, the accrued benefit assigned by this Order shall be paid to the Alternate Payee in any form available in accordance with the provisions of the Plan. However, the Alternate Payee's benefits may not be paid as a joint and survivor annuity naming the Alternate Payee's subsequent spouse as the survivor. If the Alternate Payee's benefit has a present value of \$5,000.00 or less, the benefit shall be paid out in an immediate lump sum.

The Alternate Payee may begin receiving his/her benefit payments upon the earlier of the Participant's earliest retirement date under the Plan, or the date the Alternate Payee applies for his/her benefit in the manner prescribed by the Plan Administrator. If the Plan so provides, the Alternate Payee may elect to receive his/her benefits at an earlier date allowed by the Plan. However, the Alternate Payee's benefit payments must commence no later than the Participant's age 65.

5. The award to Alternate Payee under paragraph 4 of this Order is expressly made subject to the following provisions:

(a) This Order shall not be interpreted in any way to require the Plan to provide any type or form of benefit or any option not otherwise provided under the Plan.

(b) This Order shall not be interpreted in any way to require the Plan to provide increased benefits determined on the basis of actuarial value.

(c) This Order shall not be interpreted in any way to require the Plan to pay any benefits to an Alternate Payee named in this Order that are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order.

(d) This Order shall not be interpreted in any way to require the payment of benefits to Alternate Payee before the retirement of Participant, the distribution of a withdrawal of contributions to Participant as authorized by the statutes governing the Plan, or other distribution to Participant required by law.

(e) If the Plan provides for a reduced benefit on "early retirement," this Order shall be interpreted to require that, if Participant retires before normal retirement age, the benefits payable to Alternate Payee shall be reduced by a proportionate amount.

(f) This Order shall not be interpreted to require the designation of a particular person as the recipient of benefits in the event of Participant's death or to require the selection of a particular benefit payment plan or option.

(g) If, after the date of this Order, the amount of any benefit otherwise payable to Participant is increased as a result of amendments to the law governing the Plan, Alternate Payee shall receive a proportionate part of that increase unless such an order would disqualify this Order under the rules the Plan has adopted with regard to qualified domestic relations orders.

(h) If, after the date of this Order, the amount of any benefit otherwise payable to Participant is reduced by law, the portion of benefits payable to Alternate Payee shall be reduced by a proportionate amount.

(i) If, as a result of Participant's death after the date of this Order, a payment is made by the Plan to Participant's estate, surviving spouse, or designated beneficiaries that does not relate in any way to Participant's length of employment or accumulated contributions to the Plan but is, rather, purely a death benefit payable as a result of employment or retired status at the time of death, no portion of that payment is community property, and Alternate Payee shall have no interest in that death benefit.

(j) If the board of trustees of the Plan has by rule provided that, in lieu of paying an Alternate Payee the interest awarded by a qualified domestic relations order, the Plan may pay the Alternate Payee an amount that is the actuarial equivalent of (i) an annuity payable in equal monthly installments over the life of the Alternate Payee or (ii) a lump sum, the Plan is authorized to make such a payment under this Order.

(k) All payments to Alternate Payee under this Order shall terminate on Alternate Payee's death or at whatever earlier date may be required as a result of the retirement option selected by Participant.

6. The benefits assigned to the Alternate Payee are assigned as separate interest benefits calculated over his/her lifetime. Accordingly, when the Participant dies, there is no impact on the Alternate Payee's benefits.

(Exception: If payment of the Participant's benefits has commenced by the time the Order is received, the benefits to the Alternate Payee are only payable over the lifetime of the Participant. Accordingly, the Alternate Payee's benefits will cease upon the death of the Participant.)

If the Alternate Payee dies before payment of the Alternate Payee's benefits commences, the benefits otherwise payable to the Alternate Payee shall revert to the Participant.

If the Alternate Payee dies after payment of the Alternate Payee's benefits commences, any death benefits will be paid in accordance with the form of payment elected by the Alternate Payee at commencement.

7. All benefits payable under the Plan other than those payable to Alternate Payee above shall be payable to Participant in the manner and form that Participant elects in his sole and undivided discretion, subject only to Plan requirements.

8. Alternate Payee is ORDERED to report any retirement payments received on any applicable income tax return and to promptly notify the Plan of any changes in Alternate Payee's mailing address. The Plan is authorized to issue a Form W-2P or Form 1099R on any direct payment made to Alternate Payee.

9. Participant is designated a constructive trustee for receiving any retirement benefits under the Plan that are due to Alternate Payee under this QDRO but paid to Participant. Participant is ORDERED to pay the benefit defined in this paragraph directly to Alternate Payee within three days after receipt by Participant. All payments made directly to Alternate Payee by the Plan shall be a credit against this Order.

10. The Court retains jurisdiction to amend this Order so that it will constitute a qualified domestic relations order under the Plan even though all other matters incident to this action or proceeding have been fully and finally adjudicated.

SIGNED on \_\_\_\_\_, 19\_\_\_\_

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JUDGE PRESIDING

APPROVED AS TO FORM:

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[Attorney information]