Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Timber & Lumber Co.,* 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

KENNEDY, EXECUTRIX OF THE ESTATE OF KENNEDY, DECEASED *v.* PLAN ADMINISTRATOR FOR DUPONT SAVINGS AND INVESTMENT PLAN ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

No. 07–636. Argued October 7, 2008—Decided January 26, 2009

The Employee Retirement Income Security Act of 1974 (ERISA), as relevant here, obligates administrators to manage ERISA plans "in accordance with the documents and instruments governing" them, 29 U. S. C. §1104(a)(1)(D); requires covered pension benefit plans to "provide that benefits . . . may not be assigned or alienated," §1056(d)(1); and exempts from this bar qualified domestic relations orders (QDROs), §1056(d)(3). The decedent, William Kennedy, participated in his employer's savings and investment plan (SIP), with power both to designate a beneficiary to receive the funds upon his death and to replace or revoke that designation as prescribed by the plan administrator. Under the terms of the plan, if there is no surviving spouse or designated beneficiary at the time of death, distribution is made as directed by the estate's executor or administrator. Upon their marriage, William designated Liv Kennedy his SIP beneficiary and named no contingent beneficiary. Their subsequent divorce decree divested Liv of her interest in the SIP benefits, but William did not execute a document removing Liv as the SIP beneficiary. On William's death, petitioner Kari Kennedy, his daughter and the executrix of his Estate, asked for the SIP funds to be distributed to the Estate, but the plan administrator relied on William's designation form and paid them to Liv. The Estate filed suit, alleging that Liv had waived her SIP benefits in the divorce and thus respondents, the employer and the SIP plan administrator (together, DuPont), had violated ERISA by paying her. As relevant here, the District Court entered summary judgment for the Estate, ordering DuPont to pay the benefits to the Estate. The Fifth Circuit reversed, holding that

Liv's waiver was an assignment or alienation of her interest to the Estate barred by §1056(d)(1).

Held:

1. Because Liv did not attempt to direct her interest in the SIP benefits to the Estate or any other potential beneficiary, her waiver did not constitute an assignment or alienation rendered void under §1056(d)(1). Pp. 5–13.

(a) Given the legal meaning of "assigned" and "alienated," it is fair to say that Liv did not assign or alienate anything to William or to the Estate. The Fifth Circuit's broad reading—that Liv's waiver indirectly transferred her interest to the next possible beneficiary, here the Estate—is questionable. It would be odd to speak of an estate as the transferee of its own decedent's property or of the decedent in his lifetime as his own transferee. It would also be strange under the Treasury Regulation that defines "assignment" and "alienation." Moreover, it is difficult to see how certain waivers not barred by the antialienation provision *e.g.,* a surviving spouse's ability to waive a survivor's annuity or lump-sum payment, see *Boggs* v. *Boggs,* 520 U. S. 833, 843; 29 U. S. C. §§1055(a), (b)(1)(C), (c)(2), would be permissible under the Fifth Circuit's reading. These doubts, and exceptions calling the Fifth Circuit's reading into question, point the Court toward the law of trusts that "serves as ERISA's backdrop." *Beck* v. *PACE Int'l Union*, 551 U. S. 96, 101. Section 1056(d)(1) is much like a spendthrift trust provision barring assignment or alienation of a benefit, see *Boggs, supra,* at 852, and the cognate trust law is highly suggestive here. The general principle that a designated spendthrift beneficiary can disclaim his trust interest magnifies the improbability that a statute written with an eye on the old law would effectively force a beneficiary to take an interest willy-nilly. The Treasury reads its own regulation to mean that the antialienation provision is not violated by a beneficiary's waiver "where the beneficiary does not attempt to direct her interest in pension benefits to another person." Brief for United States as *Amicus Curiae* 18. Being neither "plainly erroneous [n]or inconsistent with the regulation," the Treasury Department's interpretation is controlling. *Auer* v. *Robbins*, 519 U. S. 452, 461. ERISA's QDRO provisions shed no light on the validity of a waiver by a non-QDRO. Pp. 5–11.

(b) DuPont's additional reasons for saying that ERISA barred Liv's waiver are unavailing. Pp. 11–13.

2. Although Liv's waiver was not nullified by §1056's express terms, the plan administrator did its ERISA duty by paying the SIP benefits to Liv in conformity with the plan documents. ERISA provides no exception to the plan administrator's duty to act in accordance with plan documents. Thus, the Estate's claim stands or falls

by "the terms of the plan," 29 U. S. C. §1132(a)(1)(B), a straightforward rule that lets employers "'establish a uniform administrative scheme, [with] a set of standard procedures to guide processing of claims and disbursement of benefits,'" *Egelhoff* v. *Egelhoff*, 532 U. S. 141, 148. By giving a plan participant a clear set of instructions for making his own instructions clear, ERISA forecloses any justification for enquiries into expressions of intent, in favor of the virtues of adhering to an uncomplicated rule. Less certain rules could force plan administrators to examine numerous external documents purporting to be waivers and draw them into litigation like this over those waivers' meaning and enforceability. The guarantee of simplicity is not absolute, since a QDRO's enforceability may require an administrator to look for beneficiaries outside plan documents notwithstanding §1104(a)(1)(D). But an administrator enforcing a QDRO must be said to enforce plan documents, not ignore them, and a QDRO enquiry is relatively discrete, given its specific and objective criteria. These are good and sufficient reasons for holding the line, just as the Court did in holding that ERISA preempted state laws that could blur the bright-line requirement to follow plan documents in distributing benefits. See *Boggs, supra,* at 850, and *Egelhoff, supra,* at 143. What goes for inconsistent state law goes for a federal common law of waiver that might obscure a plan administrator's duty to act "in accordance with the documents and instruments." See *Mertens* v. *Hewitt Associates*, 508 U. S. 248, 259. This case points out the wisdom of protecting the plan documents rule. Under the SIP, Liv was William's designated beneficiary. The plan provided a way to disclaim an interest in the SIP account, which Liv did not purport to follow. The plan administrator therefore did exactly what §1104(a)(1)(D) required and paid Liv the benefits. Pp. 13–18.

497 F. 3d 426, affirmed.

SOUTER, J., delivered the opinion for a unanimous Court.