

**ANNUITY PLAN**  
**for**  
**THE UNITED CHURCH OF CHRIST**  
Amended and Restated  
Effective February 18, 2022



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**ANNUITY PLAN  
FOR THE UNITED CHURCH OF CHRIST**

Amended and Restated  
Effective February 18, 2022

The Pension Boards—United Church of Christ, Inc. (“Pension Boards”) establishes this Plan to provide retirement income security to Ministers and Employees eligible to participate in the Plan and to carry out its mission. The Plan is intended to be a retirement income account program described in section 403(b)(9) of the Code. The Plan is also intended to be a Church Plan as defined in Section 1.15 below.

The Pension Boards adopts this Plan as a restated Plan in substitution for, and in amendment of, the Annuity Plan for The United Church of Christ (Amended and Restated Effective April 15, 2020), which restated, in substitution for, and amended the Rules of the Annuity Fund—United Church of Christ, Inc. (the Annuity Plan for The United Church of Christ (Amended and Restated Effective April 15, 2020) and the Rules of the Annuity Fund—United Church of Christ, Inc., collectively, are referred to in this Amended and Restated Plan as the “Prior Plan” or the “Predecessor Plan”). The provisions of this Plan, as an amended and restated Plan, apply solely to a Minister, an Employee or a deferred vested Member after the restated effective date of this Plan. The rights and benefits of individuals who became entitled to benefits and received their entire benefit pursuant to the Prior Plan remain subject to the terms and conditions of such prior plan. The provisions set forth in this Plan are applicable only to those persons who meet the requirements for participation in accordance with the provisions of Article II and Beneficiaries of former Members who are receiving or are entitled to receive benefits as of the effective date of this amendment and restatement of the Plan, including without limitation, contingent Annuitants, Beneficiaries and alternate payees under qualified domestic relations orders (as defined in Code section 414(p)).

## **ARTICLE I DEFINITIONS**

- 1.1 "Account"** means the separate Account or Accounts that the Pension Boards maintains under the Plan for a Member or Beneficiary and includes sub-accounts created with respect to the Contributions described in Section 1.19 of this Plan.
- 1.2 "Accumulated Benefit"** means the total benefit to which a Member or Beneficiary is entitled under the Plan, including all Contributions made to the Plan by or for the benefit of a Member and all earnings and losses on those Contributions. A Member's Accumulated Benefit is equal to the Member's Accumulations.
- 1.3 "After-Tax Contribution Account"** means a separate Account maintained for a Member or Beneficiary that is credited with After-Tax Contributions made by the Member, including any Contributions made by the Church or Employer which are recharacterized as After-Tax Contributions, along with any earnings or losses on those Contributions.
- 1.4 "After-Tax Contribution"** means a Contribution made by a Member on an after-tax basis and which is not a Designated Roth Contribution or a Roth Rollover Elective Deferral.
- 1.5 "Annuitant"** means a Member or Beneficiary who is receiving benefits from the Plan in the form of an Annuity.
- 1.6 "Annuity"** means the monthly benefit payments made by the Pension Boards to a Member or a Beneficiary either as a "Basic Annuity" or as a "Participating Annuity," as described in Sections 4.04(C)(3)(a) and (b) of this Plan, and in a form of Annuity payment described in Sections 4.04(C)(4)(a), (b), (c), (d), (e) or (f) of this Plan.
- 1.7 "Annuity Starting Date"** means the first day of the first period for which an amount is paid as an Annuity or any other form following a Member's retirement or other termination of employment.
- 1.8 "Association"** means an Association recognized by a Conference of the United Church of Christ or by the United Church of Christ and identified as such in the Yearbook of the United Church of Christ.
- 1.9 "Beneficiary" or "Beneficiaries"** means the individual or individuals, or entity or entities, including a trust, charitable organization or estate, which the Member designates in accordance with Section 7.02 or in the event a Member fails to designate a beneficiary, or is assigned in accordance with Section 7.03 of this Plan, and who is or may become entitled to a benefit under the Plan. A Beneficiary who becomes entitled to a benefit under the Plan remains a Beneficiary under the Plan until the Pension Boards has fully distributed to the Beneficiary his or her Plan benefit. A Beneficiary's right to (and the Pension Boards' duty to provide to the Beneficiary) information and/or data concerning the Plan does not arise until the Beneficiary first becomes entitled to receive a benefit under the Plan. A Beneficiary and an alternate payee under a domestic relations order (as defined in Code section 414(p)) may also designate a Beneficiary in accordance with Section 7.02 of this Plan. The terms "Beneficiary" or "Beneficiaries" include the person or persons designated as such to receive death benefits if surviving the Member. The term "Beneficiary" shall also mean the joint-life Annuitant named by the Member, when electing a joint-life and survivor Annuity under Sections 4.04(C)(4)(c), (d), (e) or (f) of this Plan to receive a life income if the joint-life Annuitant survives the Member. The term "120-Payment Beneficiary" shall mean the Beneficiary or Beneficiaries named pursuant to an Annuity selected by a Member under Sections 4.04(C)(4)(b), (d) or (f) of this Plan to receive the balance of the 120 guaranteed payments if neither the Annuitant Member nor the joint-life Annuitant survives to receive a total of 120 payments.

- 1.10 "Board of Trustees" or "Board"** means the Board of Trustees of The Pension Boards – United Church of Christ, Inc.
- 1.11 "Catch-Up Contributions"** means the Deferred Cash Contributions made to the Plan pursuant to Section 3.02(B) which are permitted under Code section 414(v) (as described in Treasury Regulation § 1.403(b)–4(c)(2)). The determination of whether any Contribution constitutes a Catch-Up Contribution for a Plan Year shall be determined as of the end of such Plan Year, in accordance with Section 403(b) and Section 414(v) of the Code and applicable regulations.
- 1.12 "Church"** means, for purposes of this Plan, the United Church of Christ, any United Church of Christ church, any United Church of Christ Conference, any United Church of Christ Association, or any other United Church of Christ organization that the United Church of Christ, a United Church of Christ Conference or a United Church of Christ Association determines should be treated as a Church for purposes of participation in this Plan. Provided, however, such organization must be a church (as defined under Code Section 3121(w)(3)(A)) or qualified church-controlled organization (as defined under Code Section 3121(w)(3)(B)) and must also be an organization described in Code Section 501(c)(3). With respect to a particular Member, the term shall refer to the current Church a Member is serving, either through ministerial Service or non-ministerial Service. An organization shall cease to be a Church when the Pension Boards receives Notice, in accordance with procedures established by the Pension Boards, that the organization is either no longer a United Church of Christ church, or is no longer an organization that the United Church of Christ, a United Church of Christ Conference or a United Church of Christ Association determines is to be treated as a Church.
- 1.13 "Church Contribution"** means a Contribution made by the Church for a Member that is not made pursuant to a Salary Reduction Agreement.
- 1.14 "Church Contribution Account"** means the separate Account maintained by the Pension Boards for a Member that is credited with Church Contributions made on behalf of the Member, along with any earnings or losses.
- 1.15 "Church Plan"** means a plan within the meaning of Code section 414(e) and ERISA section 3(33) that is exempt from the requirements of ERISA. This Plan is intended to be a Church Plan and a program of retirement income accounts under Code section 403(b)(9).
- 1.16 "Code"** means the Internal Revenue Code of 1986, as amended, from time to time.
- 1.17 "Compensation"** means the sum of the Member's annual cash salary or wages plus amounts that would be cash compensation for services to the Employer includible in the Member's gross income for the calendar year but for a compensation reduction election under section 125, 132(f), 401(k), 403(b), or 457(b) of the Code (including an election under this Plan to reduce compensation in order to make Elective Deferrals under this Plan), plus housing allowance, if any, or plus the fair rental value of the residence including furnishings and utilities if a residence is furnished free of charge by the employer.
- 1.18 "Conference"** means a Conference recognized by the United Church of Christ and identified as such in the Yearbook of the United Church of Christ.
- 1.19 "Contributions"** means the Contributions that may be made to the Plan as specified in Article II of this Plan, and may include Church or Employer Contributions, Designated Roth Contributions, Roth Rollover Elective Deferrals, Rollover Contributions, After-Tax Contributions, Pre-Tax Contributions, Transfer Contributions, Retirement Savings Account Contributions, Herring-Stark Fund Contributions, NGLI Contributions, Special Employer Contributions and other Retirement Contributions permitted by this Plan.

- 1.20 "Deferred Cash Contribution"** means either a Tax-Sheltered Contribution or a Designated Roth Contribution made pursuant to a Salary Reduction Agreement.
- 1.21 "Denominational Service"** means a person's total elapsed time in completed years and months in the paid employment of any Church, any United Church of Christ Conference, any United Church of Christ Association or any other entity which is an organization controlled by or associated with the United Church of Christ.
- 1.22 "Designated Roth Account"** means a separate Account maintained for a Member to which Designated Roth Contributions may be made by a Member in lieu of Pre-Tax Contributions and that satisfies the requirements of Treasury Regulation § 1.403(b)-3(c), along with any gains and losses.
- 1.23 "Designated Roth Contribution"** means an Elective Deferral:
- (A) That is designated irrevocably by the Member in his or her Salary Reduction Agreement at the time of the election as a Designated Roth Contribution that is being made in lieu of all or a portion of the Elective Deferrals the Employee is otherwise eligible to make under the Plan;
  - (B) That is treated by the Church or Employer as includible in the Member's gross income at the time the Member would have received the amount in cash if the Member had not made the election (such as by treating the contributions as wages subject to applicable withholding requirements);
  - (C) That is maintained in a Designated Roth Account (within the meaning of Treasury Regulation § 1.401(k)-1(f)(2)); and
  - (D) Satisfies the requirements of Treasury Regulation § 1.403(b)-6(d) and is subject to the rules of Code section 401(a)(9)(A) and (B) and Treasury Regulation § 1.403(b)-6(e).

A Member's Designated Roth Contributions will be separately accounted for, along with any gains and losses. However, forfeitures may not be allocated to such account. The Plan will maintain a record of a Member's investment in the contract (i.e., Designated Roth Contributions that have not been distributed). Designated Roth Contributions are not considered After-Tax Contributions for Plan purposes. Designated Roth Contributions may include any additional elective Catch-Up Contributions. Notwithstanding any other provision of this Plan to the contrary, Designated Roth Contributions are not permitted to be made into this Plan until such time as the Board of Trustees specifically authorizes Designated Roth Contributions to be made into the Plan.

- 1.24 "Disabled" or "Disability"** means a condition, as described in Section 4.08(A) of this Plan, which qualifies a Member for a Disability Retirement. A Member will not be considered to be Disabled unless he or she furnishes evidence satisfactory to the Pension Boards that he or she is totally incapacitated and that such incapacity is likely to be permanent.
- 1.25 "Early Retirement Age"** means age fifty-five (55).
- 1.26 "Effective Date"** means February 18, 2022, which is the effective date of this Amended and Restated Plan; however, the original effective date of the Prior Plan was April 24, 1914.
- 1.27 "Elective Deferral"** means an Elective Deferral under Treasury Regulation § 1.402(g)-1 and any other amount that constitutes an Elective Deferral under Code section 402(g)(3).
- 1.28 "Eligible Church"** means the United Church of Christ, any United Church of Christ church, any United Church of Christ Conference, any United Church of Christ Association, or any other United Church of Christ organization that the United Church of Christ, a United Church of Christ

Conference or a United Church of Christ Association determines should be treated as an Eligible Church for purposes of participation in this Plan. An organization shall cease to be an Eligible Church when the Pension Boards receives Notice, in accordance with procedures established by the Pension Boards, that the organization is either no longer a United Church of Christ church, or is no longer an organization that the United Church of Christ, a United Church of Christ Conference or a United Church of Christ Association determines is to be treated as a Church.

**1.29 "Eligible Nonministerial Member"** means a Nonministerial Member who is employed at an Eligible Church or Employer.

**1.30 "Employee"** means any person employed by an Employer as a common law employee who receives Compensation other than a pension, severance pay, retainer, or fee under contract but excluding:

(A) Any Leased Employee,

(B) Any person on the payroll of a third party with whom the Employer has contracted for the provision of such person's services,

(C) Except as expressly provided in Section 2.01(C) of this Plan with respect to self-employed Ministers and chaplains, any person classified as an independent contractor or consultant by the Employer, (regardless of the status of the individual for income tax withholding or other purposes) for any period during which he is so classified even if such classification is later changed by a court, administrative agency, or prospectively by the Employer.

**1.31 "Employer"** means an organization, whether a civil law corporation or otherwise, that is controlled by or associated with the United Church of Christ. An organization, whether a civil law corporation or otherwise, is associated with the United Church of Christ if it shares common religious bonds and convictions with the United Church of Christ. Notwithstanding the foregoing or any other provision of this Plan, the term "Employer" includes an organization or entity that is a "qualified church-controlled organization" within the meaning of Code Section 3121(w) (3)(B). The controlled group rules of Treasury Regulation § 1.414(c)-5 apply to this Plan to the extent that regulation is applicable to the Employer. The Code provisions related to a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer, any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer, any organization (whether or not incorporated) which is a Member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer, and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o) apply to this Plan to the extent such Code provisions are applicable to the Employer. Notwithstanding the foregoing, for purposes of identifying the annual additions limits under Section 3.11, the definitions in Sections 414(b) of the Code shall be modified by substituting the phrase "more than 50 percent" for the phrase "at least 80 percent" each place it appears in Section 1563(a)(1) of the Code.

For purposes of participation of a Minister only, the term "Employer" includes any organization not described that is an organization described in Code section 501(c)(3) and with respect to which the Minister shares common religious bonds.

**1.32 "Employer Contribution"** means a Contribution made by a Church or Employer, a Special Employer Contribution, and/or other Contribution, made in accordance with the Plan, for a Member that is not a Contribution made pursuant to a Salary Reduction Agreement, a Contribution made on an after-tax basis, a Rollover Contribution, a Transfer Contribution, a Retirement Savings Account Contribution or a Contribution that is otherwise treated by this Plan as an Elective Deferral or a Contribution by an Employee.



- 1.33 "Employer Contribution Account"** means the sum of the sub-accounts maintained for a Member that are credited with Employer Contributions made on behalf of the Member, along with any earnings or losses.
- 1.34 "ERISA"** means the Employee Retirement Income Security Act of 1974, as amended.
- 1.35 "Forfeiture"** means the non-Vested portion, if any, of a Member's Account created as a result of Severance from Employment or other termination of Service by the Member prior to becoming 100% Vested in the Account. Vesting applies only to Herring-Stark Fund Accounts and NGLI Contribution Accounts. All other Accounts are 100% Vested at all times. All Accounts are nonforfeitable when 100% Vested and are nontransferable.
- 1.36 "Fund" or "Investment Fund"** means the separate investment vehicles in which Contributions to the Plan are invested in accordance with Article V.
- 1.37 "Herring-Stark Forfeiture Account"** means the Account maintained by the Pension Boards for the receipt of Forfeitures from Herring-Stark Fund Accounts the Contributions to which fail to become Vested.
- 1.38 "Herring-Stark Fund Account"** means the separate Account maintained for a person which is credited with Herring-Stark Fund Account Contributions made on behalf of the person, along with any earnings or losses.
- 1.39 "Herring-Stark Fund Contribution"** means a Contribution to a Herring-Stark Fund Account made in accordance with the provisions of the Herring-Stark Fund and rules established from time to time by the Pension Boards. Herring-Stark Fund Contributions are subject to a vesting schedule as specified in Section 3.01(D)(1) of this Plan.
- 1.40 "Member"** means an eligible person who participates in the Plan in accordance with Article II of this Plan. There are four classes of Members: Active Members, Inactive Members, Annuitant Members and Terminated Members. A "Provisional Member" is not a Member as described in this section. Provisional Membership is defined in and governed by Section 3.01(D)(1)(b) of the Plan.

(A) An "Active Member" means a Member:

(1) Who

(a) Has authorization for ministry in an Association or in a Conference acting as an Association of the United Church of Christ or as described in certain resolutions adopted by the Board of Trustees; or

(b) Is an Employee of a Church or an Employer; and

(1) Who is participating in the Plan by paying Contributions to the Plan or with respect to whom Contributions are being paid to the Plan as provided in Article III of this Plan.

(B) An "Inactive Member" means a Member who has been, but no longer is, an Active Member, but who has Accumulations in the Plan.

(C) An "Annuitant Member" means a Member who has entered upon an Annuity because of age or Disability.

(D) A "Terminated Member" means a Member who no longer has authorization for ministry or who has had a Severance Date or Severance from Employment with the Church or an Employer and, therefore, is no longer an Active Member.

- (E) A Provisional Member, as described in Section 3.01(D)(1)(b) of this Plan, shall have no vote under the Bylaws of The Pension Boards – United Church of Christ, Inc. Every other Member of any class shall have one vote under the Bylaws of The Pension Boards – United Church of Christ, Inc.
- 1.41 "Member Account"** means the Account of the Member credited with Contributions.
- 1.42 "Member's Accumulations" or "Accumulations,"** means the sum of the Member's total accumulations in the Funds available for investment under the Plan.
- 1.43 "Minister"** means a person who has authorization for ministry in an Association of the United Church of Christ or in a Conference acting as an Association of the United Church of Christ, and certain Congregational Christian ministers specified by the Board of Trustees.
- 1.44 "Minister's Housing Allowance"** means the portion of a Minister of the gospel's Compensation that is eligible to be excluded from income under Code section 107.
- 1.45 "Ministerial Member"** means a Member who is a Minister.
- 1.46 "Nonministerial Member"** means any Member who is not a Ministerial Member.
- 1.47 "Normal Retirement Age"** means age sixty-five (65).
- 1.48 "Notice"** means information provided by the Member, Church or Employer through written, or electronic means to the Pension Boards, as specified for a particular purpose or purposes by the Pension Boards.
- 1.49 "Pension Boards"** means The Pension Boards – United Church of Christ, Inc., or its successor or successors, if any, from time to time. The Pension Boards is a nonprofit corporation incorporated under New Jersey law. In addition, the Pension Boards is a church benefits board whose authority is based, in part and in addition to New Jersey law, on Code section 414(e) and ERISA section 3(33) and other applicable state and federal laws.
- 1.50 "Plan"** means the Annuity Plan for the United Church of Christ as set forth in this document or as amended from time to time. The Plan is intended to be a program of retirement income accounts under Code section 403(b)(9) and as defined in Treas. Reg. § 1.403(b)-9(a)(2).
- 1.51 "Plan Year"** means January 1 through December 31 of a calendar year.
- 1.52 "Present Value"** means the single sum value of a monthly Annuity computed in accordance with the rate of interest assumed and, when life contingencies are involved, the Annuitant attached mortality table or tables adopted by the Board and in force at the time the benefit is entered upon. The rate of interest assumed and the Annuitant mortality table adopted by the Board are hereby adopted by reference the same as if fully set out verbatim in this Plan.
- 1.53 "Pre-Tax Contribution"** means a Contribution the Church or Employer makes to the Plan pursuant to a Member's Salary Reduction Agreement that satisfies the requirements of Code section 403(b) and Section 7.05 of this Plan. Pre-Tax Contribution also includes any additional elective Catch-Up Contributions made by a Member who is or will be age 50 or older in a Taxable Year, in accordance with, and subject to, Code section 414(v) and Section 3.02(B) of this Plan. Pre-Tax Contributions may only be made with respect to amounts that are compensation within the meaning of section 415(c)(3) of the Code and Treas. Reg. § 1.415(c)-2.

- 1.54 "Pre-Tax Contribution Account"** means a separate Account maintained for a Member that is credited with Pre-Tax Contributions made on behalf of the Member, along with any earnings or losses.
- 1.55 "Prior Plan" or "Predecessor Plan"** means, collectively, the Annuity Plan for The United Church of Christ (Amended and Restated Effective April 15, 2020) and the Rules of the Annuity Fund – United Church of Christ, Inc., which were sponsored and maintained by the Pension Boards prior to the Effective Date of this Amended and Restated Plan and under which benefits are payable by the Trustee of this Plan. This Plan is an amendment and restatement of the Prior or Predecessor Plan.
- 1.56 "Reserves for Annuitants"** means those funds designated to provide for Annuity payments to Annuitant Members pursuant to the terms of this Plan or procedures established by the Pension Boards.
- 1.57 "Retirement Savings Account"** means a separate Account maintained for a Member that is credited with Retirement Savings Account Contributions made by or on behalf of the Member, along with any earnings or losses.
- 1.58 "Retirement Savings Account Contribution"** means a Contribution made to this Plan by the Member, the Church or the Employer pursuant to Sections 3.01(B) and 3.02(E) of this Plan.
- 1.59 "Rollover Contribution"** means the amount that the Code permits an eligible Member to rollover directly or indirectly into this Plan from an eligible retirement plan described in Code section 402(c)(8)(B). A Rollover Contribution includes net income, gain or loss attributable to the Rollover Contribution. This Section 1.59 is not intended to be more or less restrictive than applicable law.
- 1.60 "Rollover Contribution Account"** means a separate Account maintained for a Member that is credited with Rollover Contributions made by the Member, along with any earnings or losses.
- 1.61 "Roth Rollover Elective Deferrals"** means the amount that the Code permits an eligible Member to rollover directly from another Designated Roth Account under an applicable retirement plan described in Code section 402A(e)(1) and only to the extent the rollover is permitted under the rules of Code section 402(c).
- 1.62 "Roth Rollover Elective Deferrals Account"** means a separate Account maintained for a Member that is credited with Roth Rollover Elective Deferrals made by the Member, along with any investment gains and losses.
- 1.63 "Salary Reduction Agreement"** means a legally enforceable written agreement, that is between a Member and the Church or an Employer, that satisfies the requirements of Code section 403(b) and Section 7.05 of this Plan, and:
- (A) By which the Member elects to take a reduction in taxable compensation not available as of the date of the election and which is contributed by the Church or Employer as a Pre-Tax Contribution to the Member's Account; or
  - (B) By which the Member elects Designated Roth Contributions that are includible in the Member's gross income (as defined in the regulations) at the time deferred and have been irrevocably designated as Designated Roth Contributions by the Member.

A Contribution made pursuant to an Employee's one-time irrevocable election made on or before the Employee's first becoming eligible to participate under the Church's or Employer's plans or a Contribution made as a condition of employment that reduces the Employee's Compensation is not an elective deferral made pursuant to a Salary Reduction Agreement.

**1.64 "Service"** means a Member's total elapsed time in completed years and months in paid ministerial or nonministerial employment with any and all Churches and Employers.

**1.65 "Severance Date"** means, with respect to employment with the Church or Employer, the earlier of:

- (A) The date a Minister's or an Employee's Service or employment terminates because the Minister or the Employee resigns, retires, is discharged, or dies; or
- (B) The last day of an authorized leave of absence, or if later, the first anniversary of the date on which a Minister or an Employee is first absent from Service, with or without pay, for any reason such as vacation, sickness, disability, layoff, or leave of absence.

The term "Severance Date," as defined in this Section 1.63(A), is synonymous with the term "Severance from Employment," as defined in Treas. Reg. § 1.403(b)-2(b)(19) and Treas. Reg. § 1.403(b)-6(h). For purposes of distributions from this Plan, a "Severance Date" or a "Severance from Employment" occurs on any date on which the Member ceases to be employed by an Eligible Church or Employer. A Severance Date or a Severance from Employment occurs when a Member ceases to be employed by an employer that is eligible to maintain a Code section 403(b) plan, even though the Member may continue to be employed by an entity that is part of the same controlled group but that is not an employer eligible to maintain a Code section 403(b) plan. A Severance Date or a Severance from Employment includes the following situations: (i) transfer of an Employee from a Code section 501(c)(3) organization to a for-profit subsidiary of the Code section 501(c)(3) organization, and (ii) an individual employed as a minister for an entity that is neither a State nor a Code section 501(c)(3) organization ceasing to perform services as a minister, but continuing to be employed by the same entity (for example, a chaplain who ceases to serve as a chaplain in a for-profit hospital, but continues to work for the same entity).

**1.66 "Spouse"** means the person to whom the Member is married at the relevant time by a religious or civil ceremony effective under the laws of the state in which the marriage was contracted, including a person legally separated but not under a decree of absolute divorce.

**1.67 "Special Employer Contribution"** means a discretionary Employer Contribution made on behalf of a Member as determined by the Church or the Employer and as further described in Section 3.01(C), regardless of whether he or she satisfies the eligibility conditions in the Plan.

**1.68 "Special Employer Contribution Account"** means a separate Account maintained for a Member that is credited with Special Employer Contributions made on behalf of the Member, along with any earnings or losses.

**1.69 "Surviving Spouse"** means a Spouse who is legally married to the Member at the time of the Member's death and who survives the Member.

**1.70 "Taxable Year"** means January 1 through December 31 of a calendar year.

**1.71 "Transfer" or "Plan-to-Plan Transfer"** means a transfer of assets from a 403(b) plan to another 403(b) plan, which is not a Rollover Contribution and which is made in accordance with applicable law and Section 3.03 of this Plan.

**1.72 "Transfer Contribution"** means amounts transferred to this Plan from another 403(b) plan, which is made in accordance with applicable law and Section 3.03 of this Plan.

**1.73 "Transfer Contribution Account"** means a separate Account maintained for a Member, which is credited with Transfer Contributions made on behalf of the Member, along with any earnings or losses.

- 1.74 "Trust" or "Trust Agreement"** means the separate document created and established under the Plan. The Trust Agreement provides that the Pension Boards holds the assets of the Plan in trust for the benefit of Members and their Beneficiaries.
- 1.75 "Trustee"** means the Trustee of the Trust as named in the Trust Agreement.
- 1.76 "NGLI Contribution"** means a contribution to a Minister's NGLI Contribution Account made in accordance with the Next Generation Leadership Initiative Program. NGLI Contributions are subject to a vesting schedule specified in Section 3.01(D)(2) of this Plan.
- 1.77 "NGLI Contribution Account"** means a separate Account maintained for a Minister, which is credited with NGLI Contributions made on behalf of the Minister, along with any earnings or losses.
- 1.78 "NGLI Contribution Forfeiture Account"** means the Account maintained by the Pension Boards for the receipt of Forfeitures from NGLI Contribution Accounts of Ministers the contributions for whom fail to become forfeited.
- 1.79 "NGLI Strategy" or "NGLI Program"** means the strategy for the Next Generation Leadership Initiative of the United Church Board for Ministerial Assistance, Inc.
- 1.80 "UCBMA"** means the United Church Board for Ministerial Assistance, Inc.
- 1.81 "United Church of Christ"** means the denomination formed on June 25, 1957, by the union of the Evangelical and Reformed Church and The General Council of the Congregational Christian Churches of the United States to express more fully the oneness in Christ of the churches composing it, to make more effective their common witness in Jesus Christ, and to serve God's realm.
- 1.82 "Valuation Date"** means the last day of each month or such other day as specified by the Pension Boards.
- 1.83 "Vested"** means the portion of a Member's Account that is not subject to a Forfeiture based on a vesting schedule. If any, or as otherwise set forth in Section 3.06 of this Plan.

## **ARTICLE II PARTICIPATION IN PLAN**

### **2.1 ELIGIBILITY.**

- (A) Any person who is an Employee of a Church or an Employer is eligible to become a Member of this Plan immediately upon employment with the Church or Employer unless the Church or Employer, through the execution of an adoption agreement, specifies which of its Ministers and Employees are eligible to become a Member of this Plan and when such Minister or Employee shall become a Member of this Plan. Any such adoption agreements executed by a Church or Employer are incorporated by reference into this Plan as if fully set out herein.
- (B) An employee of a church or convention or association of churches, which is exempt from tax under Section 501(c)(3) of the Code, who previously had been an Active Member of the Plan or the Prior or Predecessor Plan, may be an Active Member of the Plan with respect to such employer if such church or convention or association of churches, with the consent of the Pension Boards, makes regular contributions to the Plan on behalf of such Member. A church or convention or association of churches so contributing shall be deemed a "Church" for the purposes of this Plan.

(C) A self-employed Minister or a chaplain who is a Minister is eligible to participate in this Plan as provided in this Section 2.01(C).

(1) Certain ministers may participate:

- (a) In general, a Minister may participate in this Plan if, in connection with the exercise of his or her ministry, the Minister:
  - (i) is a self-employed individual (within the meaning of Code section 401(c)(1)(B)); or
  - (ii) is employed by an organization other than an organization which is described in Code section 501(c)(3) and with respect to which the Minister shares common religious bonds.
- (b) Treatment as Employer and Employee. For purposes of this Plan and Code sections 403(b)(1)(A) and 404(a)(10), a Minister described in (C)(1)(a)(i), above, shall be treated as employed by the Minister's own Employer which is an organization described in Code section 501(c)(3) and exempt from tax under Code section 501(a).

(1) Special rules for applying Code section 403(b) to self-employed Ministers. In the case of a Minister described in subsection (C)(1)(a)(i), above:

- (a) The Minister's includible compensation under Code section 403(b)(3) shall be determined by reference to the Minister's earned income (within the meaning of Code section 401(c)(2)) from such ministry rather than the amount of compensation which is received from an Employer, and
- (b) The years (and portions of years) in which such Minister was a self-employed individual (within the meaning of Code section 401(c)(1)(B)) with respect to such ministry shall be included for purposes of Code section 403(b)(4).

**2.2 CHANGE IN EMPLOYEE STATUS.** A Church or Employer is responsible for determining when a Member is no longer eligible to participate in the Plan based on any rules and procedures established by the Church or Employer and/or the Pension Boards from time to time.

**2.3 DURATION OF PARTICIPATION.**

- (A) A person eligible under Section 2.01 of this Plan to become a Member becomes a Member effective when the Member meets the application and enrollment requirements as set forth in the adoption agreement and the rules and procedures established from time to time by the Church or Employer and/or by the Pension Boards, respectively. Each Employee who was a Member in the Plan on the day before the Effective Date continues to be a Member in the Plan only if he or she satisfies the eligibility conditions in this Plan.
- (B) A person who becomes a Member will continue to be a Member for purposes of making, or having made on his or her behalf, Contributions to the Plan until the person no longer meets the eligibility requirements of the Church or Employer and/or the Pension Boards or has a Severance Date or Severance from Employment. A person will continue to be a Member for purposes of having benefit rights and for purposes of making a Transfer Contribution or Rollover Contribution into the Plan pursuant to Sections 3.03 and 3.04 of this Plan until the person is no longer entitled to receive any benefits under the Plan. To the extent permitted by law and this Plan, a person shall continue during Disability to be a Member for purposes of receiving Church or Employer Contributions to the Plan, if the Church or Employer elects to

make such Contributions or if such Contributions are provided pursuant to a Disability insurance arrangement.

- 2.4 SPECIAL PARTICIPATION RULES.** Unless prohibited by applicable law, an inactive Member may become an Active Member by making a Transfer Contribution or Rollover Contribution into the Plan pursuant to Sections 3.03 or 3.04 of this Plan. To the extent permitted by applicable law, a Member may include a former Employee for purposes of Special Employer Contributions, as the Church or Employer determines, in accordance with the rules and procedures established from time to time by the Church or Employer and/or by the Pension Boards

### **ARTICLE III CONTRIBUTIONS INTO AND LIMITATIONS OF THE PLAN**

#### **3.1 EMPLOYER CONTRIBUTION TYPES.**

- (A) Church or Employer Contribution. Subject to applicable limitations under the Code, a Church or an Employer may make Contributions into the Plan on behalf of a Member who is an Employee of the Church or the Employer in such amounts as the Church or the Employer may from time to time determine. Upon receipt by the Pension Boards, Church or Employer Contributions shall be allocated to the Member's Employer Contributions Account, unless the Contributions are required to be allocated to the Member's Retirement Savings Account in accordance with Section 3.02(E)(2) of this Plan.
- (B) Retirement Savings Account Contribution. Any Contributions made on behalf of a Member by a Church or Employer after a Member has begun receiving an Annuity pursuant to Section 4.04(C) of this Plan shall be treated as Retirement Savings Account Contributions for all purposes, including the commencement and distribution of benefits, under this Plan.
- (C) Special Employer Contribution. The Plan permits Special Employer Contributions, in such amounts, at such times and for such purposes as determined by the Church or Employer in its sole discretion, including post-termination Contributions permitted under Code section 403(b)(3) and Treas. Reg. § 1.403(b)-4(d). Unless specified by the Church or Employer at the time such contributions are made as being subject to the Plan's or some other vesting schedule, Special Employer Contributions shall be fully Vested. Special Employer Contributions shall be fully Vested if used for post-termination contributions described in Code section 403(b)(3). Post-termination Contributions shall be made in accordance with the provisions of Treas. Reg. § 1.403(b)-4(d).
- (D) Other Contributions Treated as Church or Employer Contributions. For purposes of the Plan, Contributions described in this Section 3.01(D) are treated as Church or Employer Contributions.
  - (1) Herring-Stark Fund Contribution.
    - (a) Contributions may be made into the Plan on behalf of a Church by the Herring-Stark Fund to a Herring-Stark Fund Account in accordance with the provisions of the Herring-Stark Fund and procedures established from time to time by the Pension Boards. Herring-Stark Fund Contributions are subject to a vesting schedule whereby 100% of the Herring-Stark Fund Contributions and the gains and losses thereon become Vested (i) after five (5) years of Service in a local church setting by the person on whose behalf Herring-Stark Fund Contributions are made; and (ii) after five (5) years of Contributions that are not less than 14% of Compensation. Notwithstanding the foregoing or any other provision of this Plan, Herring-Stark Fund Contributions shall be one hundred percent (100%) vested upon the death or Disability of the Member on whose behalf the Herring-

Stark Fund Contributions have been made. Forfeitures in the Herring-Stark Forfeiture Account shall be invested, to the extent practicable, by the Pension Boards in accordance with the investment goals and objectives of the Herring-Stark Fund, and shall be used as a source of, and as an offset to, Herring-Stark Fund Contributions that would otherwise be made to the Plan.

- (b) A person on whose behalf Contributions are made to a Herring-Stark Account and whose only Account under the Plan is a Herring-Stark Account is a Provisional Member until his or her Herring-Stark Account becomes one hundred percent (100%) Vested. If the person's sole Account under the Plan is a Herring-Stark Account, then, when his or her Herring-Stark Account becomes one hundred percent (100%) Vested, the person ceases to be a Provisional Member and becomes a Member as defined in Section 1.40 of this Plan. A Provisional Member has no vote under the Bylaws of the Pension Boards.
- (1) NGLI Contribution.
  - (a) Contributions may be made into the Plan on behalf of a Church to a Minister's NGLI Contribution Account in accordance with the NGLI Strategy UCBMA. NGLI Contributions are subject to a vesting schedule whereby if accepted in 2018 or after, fifty percent (50%) of the NGLI Contribution and the gains and losses thereon become Vested at the end of the fourth year and fully vested at the end of the sixth year. If accepted prior to 2018, fifty percent (50%) of the NGLI Contribution and the gains and losses thereon become Vested at the end of the fourth year and fully vested at the end of the tenth year. Solely for the purpose of calculating the vesting of NGLI Contributions, Service begins, and is counted from, the date on which the Minister is accepted into the NGLI Program. A Minister may take an approved hiatus or absence from the NGLI Program for up to one (1) year with the possibility of re-entry; however, a hiatus or absence of more than one (1) year ends participation in the NGLI Program. Notwithstanding the foregoing or any other provision of this Plan, NGLI Contributions shall be one hundred percent (100%) vested upon the death or Disability of the Member on whose behalf the NGLI Contributions have been made.
  - (b) Forfeitures in the NGLI Contribution Forfeiture Account shall be used, to the extent practicable, by the Pension Boards as a source of, and as an offset to, NGLI Contributions that would otherwise be made to the Plan. If no further NGLI Contributions are payable to the Plan, any amount remaining in the NGLI Contribution Forfeiture Account may be returned to UCBMA or reallocated on a per capita basis to all other NGLI Contribution Accounts then existing in the Plan, as directed by UCBMA.

### **3.2 MEMBER CONTRIBUTION TYPES.**

- (A) Pre-Tax Contributions. While an Employee of a Church or an Employer, a Member may make Pre-Tax Contributions to the Plan, if permitted in the Church's or Employer's rules and procedures.
- (B) Age Fifty (50) Catch-up Contributions. All Members who are eligible to make Pre-Tax Contributions under this Plan and who have attained age fifty (50) or older before the end of the Plan Year may make Catch-Up Contributions into this Plan in accordance with, and subject to the limitations of, Code section 414(v). Such catch-up contributions will not be taken into account for purposes of the provisions of this Plan implementing the required limitations of Code sections 402(g) and 415.



- (C) Roth Elective Deferrals. A Member may make Designated Roth Contributions to this Plan, if permitted in the Church's or Employer's rules and procedures. Notwithstanding any other provision of this Plan to the contrary, Designated Roth Contributions are not permitted to be made into this Plan until such time as the Board of Trustees specifically authorizes Roth Elective Deferrals to be made into this Plan.
- (D) After-Tax Contributions. A Member who is an Employee of a Church or an Employer may make After-Tax Contributions into this Plan, if permitted in the Church's or Employer's rules and procedures. In addition, a self-employed Minister or chaplain described in Section 2.01(C) of this Plan may make After-Tax Contributions into this Plan.
- (E) Retirement Savings Account Contributions. At the time a Member elects an Annuity pursuant to Section 4.04(C) of this Plan, the Member may have all or a portion of the Accumulations amounts that could be paid in a lump sum to the Member pursuant to Section 4.04(B) of this Plan transferred to a Pension Boards Retirement Savings Account. After such a transfer, the amount in the Retirement Savings Account and any gains or losses on that amount shall be treated as Retirement Savings Account Contributions for all purposes under this Plan.

In accordance with Section 4.04(B)(4) of this Plan, a Member or Beneficiary (excluding a Beneficiary who is: (i) a joint-life Annuitant named by the Member when electing a joint-life and survivor Annuity under Sections 4.04(C)(4)(c), (d), (e) or (f) of this Plan to receive a life income if the joint-life Annuitant survives the Member, or (ii) a 120-Payment Beneficiary) may take a total or partial distribution from a Retirement Savings Account at any time; provided, however, that the minimum distribution from a Retirement Savings Account is five hundred dollars (\$500.00). Notwithstanding the foregoing provisions of this Plan, a Member who is currently employed must attain age fifty-nine and one-half ( $59\frac{1}{2}$ ) before he or she may take a total or partial distribution from Retirement Savings Account Contributions that are Pre-Tax Contributions or Roth Elective Deferrals made during the current period of employment after the Member annuitized or could have annuitized his or her Accumulated Benefit.

In accordance with Section 4.04(C)(3)(c) of this Plan, a Member or Beneficiary is not required to have any Retirement Savings Account Contributions and investment gains and losses on such Contributions distributed in the form of an Annuity.

### **3.3 TRANSFER CONTRIBUTION.**

- (A) General Provisions.
  - (1) The Plan permits Plan-to-Plan Transfer Contributions into the Plan (but not out of the Plan, without the Pension Boards consent) subject to any limitations imposed by applicable law. The Plan-to-Plan Transfer amount must be transferred directly from a Code section 403(b) plan that is a Church Plan.
  - (2) To the extent any amount transferred into this Plan is subject to any distribution restrictions under Treas. Reg. § 1.403(b)-6, this Plan imposes restrictions on distributions to the Employee, Member or Beneficiary of the assets transferred into this Plan that are not less stringent than those imposed by the transferor plan.
  - (3) If a Plan-to-Plan Transfer does not constitute a complete transfer of the Member's or Beneficiary's interest in the transferor section 403(b) plan, this Plan shall treat the amount transferred as a continuation of a pro rata portion of the Member's or Beneficiary's interest in the transferor section 403(b) plan (for example, a pro rata portion of the Member's or Beneficiary's interest in any after-tax employee contributions).

- (B) Operational Administration. Individual amounts may be transferred into the Plan on behalf of a Member (or the Member's surviving Beneficiary) directly from a Church Plan that is a Code section 403(b)(1) annuity contract, a Code section 403(b)(7) custodial account, a Code section 403(b)(9) retirement income account, or a Code section 401(a) plan provided that the Plan-to-Plan Transfer is made in accordance with Code rules and rules and procedures established by this Plan and by the Pension Boards.
- (C) Pre-participation Transfer. A Minister or an Employee may make Plan-to-Plan Transfer Contributions into the Plan in accordance with this Section 3.03 prior to satisfying the Church's or Employer's eligibility conditions. A Minister or an Employee who makes a pre-participation Plan-to-Plan Transfer does not share in the Plan's allocation of any Church or Employer Contributions and may not make Pre-Tax Contributions, After-Tax Contributions, Designated Roth Contributions or other Employee Contributions permitted by this Plan until eligibility conditions are met.
- (D) Separate Accounting. Plan-to-Plan Transfers into the Plan will be allocated to the Member's Transfer Contribution Account.
- (E) Requirements for Plan-to-Plan Transfers. A Plan-to-Plan Transfer under this Section 3.03 from a transferor Code section 403(b) plan to this section 403(b) Plan is permitted if the foregoing Section 3.03(A), (B), (C) and (D) provisions of this Plan are met and if each of the following conditions is met:
  - (1) In the case of a Plan-to-Plan Transfer for a Member, the Member is an Employee or former Employee of the Church or Employer for the receiving plan (i.e., this Plan).
  - (2) In the case of a Plan-to-Plan Transfer for a Beneficiary of a deceased Member, the Member was an Employee or former Employee of the Church or Employer for the receiving plan (i.e., this Plan).
  - (3) The transferor plan provides for Plan-to-Plan Transfers.
  - (4) The Member or Beneficiary whose assets are being transferred into the Plan has an Accumulated Benefit immediately after the Plan-to-Plan Transfer that is at least equal to the Accumulated Benefit of that Member or Beneficiary immediately before the Plan-to-Plan Transfer. The condition in this paragraph (4) is satisfied if the Plan-to-Plan Transfer would satisfy Code section 414(l)(1).

**3.4 ROLLOVER CONTRIBUTION.** The Plan permits Rollover Contributions and Roth Rollover of Elective Deferrals into the Plan subject to any limitations imposed by applicable law, including Treas. Reg. § 1.403(b)-10(d).

- (A) Operational Administration. Any Member (or as applicable, any Minister or Employee) may make a Rollover Contribution into the Plan. Any Spouse of a deceased Member entitled to benefits under the Plan may make a Rollover Contribution into the Plan in accordance with Code section 402(c)(9). In order to make a Rollover Contribution a form prescribed by the Pension Boards must be fully completed and filed with the Pension Boards. Before accepting a Rollover Contribution or a Roth Rollover of Elective Deferrals, the Pension Boards may require a Member (or Minister or Employee) or Spouse to furnish satisfactory evidence that the proposed amount of cash is in fact a Rollover Contribution or Roth Rollover of Elective Deferral from an eligible retirement plan. The Pension Boards, in its sole discretion, may decline to accept a Rollover Contribution or a Roth Rollover of Elective Deferrals. Notwithstanding any other provision of this Plan to the contrary, Designated Roth Contributions and Roth Rollovers of Elective Deferrals are not permitted to be made to this Plan until such time as the Board of

Trustees specifically authorizes Designated Roth Contributions and Roth Rollovers of Elective Deferrals to be made to this Plan.

- (B) Pre-participation Rollover. A Minister or an Employee may make a Rollover Contribution or a Roth Rollover of Elective Deferrals to the Plan in accordance with this Section 3.04 prior to satisfying the Church's or Employer's eligibility conditions. A Minister or an Employee who makes a pre-participation Rollover does not share in the Plan's allocation of any Church or Employer Contributions and may not make Pre-Tax Contributions, After-Tax Contributions, Designated Roth Contributions or other Employee Contributions permitted by this Plan until eligibility conditions are met.
- (C) Separate Accounting. Rollovers to the Plan will be allocated to the Member's Rollover Contribution Account.

**3.5 TIME OF PAYMENT OF CONTRIBUTIONS.** Elective Deferrals will be paid to the Trust within a period that is not longer than is reasonable for the proper administration of the plan in accordance with Treas. Reg. § 1.403(b)-8(b). Employer Contributions, if any, will be paid to the Trust no later than the end of the month following the end of the Plan Year with respect to which the Contributions relate or as soon as reasonably practicable, if later.

**3.6 VESTING.** All Contributions made to a Member's Account will be one hundred percent (100%) Vested, unless otherwise specified in this Plan. Herring-Stark Fund Contributions are subject to a vesting schedule and vest in accordance with the provisions of Section 3.01(D)(1) of this Plan. NGLI Contributions are subject to a vesting schedule and vest in accordance with the provisions of Section 3.01(D)(2) of this Plan.

**3.7 LIMITS ON CONTRIBUTIONS.**

(A) Annual Additions Limitation (Code section 415(c) and Treasury Regulation § 1.403(b)-4(b))

- (1) The annual additions to a Member's Accounts for any Plan Year, which shall be considered the "limitation year" for purposes of Code section 415, when added to the Member's annual additions for that Plan Year under any other qualified plan or Code section 403(b) defined contribution plan of the Church or Employer, shall not exceed an amount determined under Code section 415(c) and Treasury Regulation

§ 1.403(b)-4(b), which is equal to the lesser of:

- (a) One hundred percent (100%) of the Member's Compensation (as defined in Section 3.07(A)(3), below), or
  - (b) The dollar limit contained in Code section 415(c)(1)(A) (which is \$55,000 for 2018), as may be adjusted pursuant to Code section 415(d) from time to time.
- (1) For purposes of this Section 3.07(A), the "annual additions" to a Member's Accounts under this Plan or any other qualified plan or Code section 403(b) defined contribution plan (including a deemed qualified defined contribution plan under a qualified defined benefit plan) maintained by the Church or Employer shall be determined in accordance with (a) and (b) below:
    - (a) The annual additions shall include all of the following amounts that have been allocated to the Member's Accounts under this Plan or any other qualified defined contribution plan (including a deemed qualified defined contribution plan under a qualified defined benefit plan) or Code section 403(b) plan maintained by the Church or Employer:

- (i) The total Church or Employer contributions made on the Member's behalf by the Church or Employer, including any Contributions distributed or forfeited under the provisions of this Plan;
  - (ii) All Deferred Cash Contributions and After-Tax Contributions, including Deferred Cash Contributions and After Tax Contributions distributed under the provisions of this Plan;
  - (iii) Forfeitures, if any and if applicable; and
  - (iv) Solely for purposes of the dollar limit under clause (ii) of paragraph (a) above, amounts described in Code sections 415(1)(1) and 419A(d)(2) allocated to the Member.
- (b) The annual addition shall not include:
  - (i) Rollover Contributions or Transfer Contributions;
  - (ii) Excess deferrals timely distributed from the Plan; and
  - (iii) Catch-Up Contributions.
- (2) For purposes of this Section 3.07(A), and in accordance with Code section 415(c)(3)(E) and Treas. Reg. § 1.415(c)-2(g), the term "Compensation" with respect to any Member shall mean the Member's "includible compensation," as defined in Code section 403(b)(3) and Treas. Reg. § 1.403(b)-2(b)(11). "Includible compensation" means the Minister's or Employee's compensation received from a Church or Employer that is includible in the Member's gross income for Federal income tax purposes (computed without regard to Code section 911) for the most recent period that is a year of service. "Includible compensation" for a Minister who is self-employed means the Minister's earned income as defined in Code section 401(c)(2) (computed without regard to Code section 911) for the most recent period that is a year of service. "Includible compensation" also includes any Elective Deferral or other amount contributed or deferred by the Church or Employer at the election of the Member that would be includible in the gross income of the Member but for the rules of Code section 125, 132(f)(4), 402(e)(2), 402(h)(1)(B), 402(k) or 457(b).
- (3) Notwithstanding any other provision of this Section 3.07(A) to the contrary, and as permitted by Code section 415(c)(7)(A) and Treas. Reg. § 1.415(c)-1(d)(1), Contributions and other additions to the Accounts of a Member who is an employee of a church or convention or association of churches, when expressed as annual additions to such Member's Accounts, shall be treated as not exceeding the limitation of Code section 415(c) and Treas. Reg. § 1.403(b)-4(b) if such annual addition is not in excess of \$10,000. The total amount of additions with respect to any Member which may be taken into account for purposes of this Section 3.07(A)(4) for all years may not exceed \$40,000, in the aggregate. For purposes of this Section 3.07(A)(4), the terms "church" and "convention or association of churches" have the same meaning as when used in Code section 414(e).
- (4) Notwithstanding any other provision of this Section 3.07(A) to the contrary, and as permitted by Code section 415(c)(7)(C) and Treas. Reg. § 1.415(c)-1(d)(3), in the case of a Member:
  - (a) Who is an Employee of a church or of a convention or association of churches, including an organization described in Code section 414(e)(3)(B)(ii);

- (b) Who is performing any services for the Church outside the United States during the limitation year; and
- (c) Whose adjusted gross income for such taxable year, determined separately and without regard to community property law, does not exceed \$17,000; annual additions to such Member's Accounts shall be treated as not exceeding the limitation of Code section 415(c) and Treas. Reg.

§ 1.403(b)–4(b) if such annual additions for the year do not exceed \$3,000. For purposes of this Section 3.07(A)(5), the terms "church" and "convention or association of churches" have the same meaning as when used in Code section 414(e).

- (A) The amount of a Member's Elective Deferrals for any calendar year may not exceed the amount permitted under Code section 402(g) and Treasury Regulation § 1.403(b)–4(c) for the Taxable Year. For purposes of this Section 3.07(B), Elective Deferrals means contributions as defined in Code section 402(g)(3) and Designated Roth Contributions.
- (B) To the extent that either or both of the contribution limitations under Code section 415 and Treasury Regulation § 1.403(b)–4(b) or Code section 402(g) or Treasury Regulation § 1.403(b)–4(c) are violated, the violation shall affect only the individual Member with respect to whom the excess contribution is made and shall not affect any other Member.
- (C) The sum of any Elective Deferral Contributions described under Code section 414(v) (Catch-Up Contributions) for a Plan Year may not exceed the contribution limit under Code section 414(v) (as described in Treasury Regulation § 1.403(b)–4(c)(2)); provided, however, Code section 414(v) Elective Deferral Contributions are not subject to the annual addition limit under Code section 415(c) or the Elective Deferral limit under Code section 402(g).
- (D) The limitations set forth in this Section 3.07 will be interpreted and administered in a manner consistent with the Code and applicable law in effect for the relevant Plan Year or other appropriate time period.

**3.8 DETERMINATION AND DISTRIBUTION OF EXCESS CONTRIBUTIONS.** The Pension Boards will distribute any Contributions that exceed any of the limits described in Section 3.07 of this Plan. The Pension Boards will advise Members of any limitations on Contributions due to the applicability of Section 3.07.

- (A) Plan Aggregation. If the Church or Employer administers more than one plan required to be aggregated under Code section 403(b) or 402(g), the Church or Employer must aggregate all such plans in determining whether any Member has excess Contributions.
- (B) Individual Limitation. A Member may attribute to this Plan any elective deferrals in excess of the limits in Code section 402(g) made during a taxable year of the Member by notifying the Pension Boards in writing not later than the March 1 following such taxable year of the amount of the excess deferrals to be assigned to the Plan.
- (C) Distribution of Excess Contributions. To the extent required by applicable law, Contributions that exceed the limitations of Section 3.07 will be corrected by refunding the excess Contributions under this Plan, subject to any rules and procedures established by the Pension Boards and in accordance with applicable law. In particular, excess Elective Deferrals will be distributed to the Member, with allocable net income, no later than April 15 of the following Taxable Year or otherwise in accordance with Code section 402(g).

- (D) Distributions Attributable to Roth Elective Deferrals. For any Plan Year in which a Member may make both Pre-Tax Contributions and Roth Elective Deferrals, the Pension Boards operationally may implement an ordering rule procedure for the distribution of excess Contributions (Code section 402(g)), and excess annual additions (Code section 415). Such ordering rules may specify whether the Pre-Tax Contributions or Designated Roth Contributions are distributed first, to the extent such type of elective deferrals were made for the year. Furthermore, such procedure may permit the Member to elect which type of Elective Deferrals shall be distributed first.

Nothing in this Section 3.08 is intended to be more or less restrictive than applicable law.

### **3.9 RETURN OF CONTRIBUTIONS.**

- (A) A Minister and a Church or an Employer, as applicable, contributes to this Plan on the condition that Contributions are not made due to a mistake of fact. If a Contribution is made to the Plan by a mistake of fact, the Pension Boards, upon request from the Minister, Church or Employer, will return to the Minister, Church, Employer or Member (whichever is applicable as determined by the Pension Boards) (or allocate to the appropriate Account) the amount of the Contributions made on account of a mistake of fact. Notwithstanding the foregoing, any refund of contributions required because of Code section 402(g) shall be made in accordance with Code section 402(g) and regulations promulgated thereunder.
- (B) The Pension Boards may require the Minister, Church or Employer to furnish whatever evidence the Pension Boards deems necessary to confirm that the amount the Minister, Church or Employer has requested to be returned is properly returnable under this Section 3.09.

## **ARTICLE IV DISTRIBUTION OF BENEFITS**

### **4.1 PAYMENT OF ACCOUNT.**

- (A) Timing.
- (1) The Pension Boards, at the direction of the Member, will make distributions to a Member who has satisfied the requirements of the applicable Section of this Article IV. In no event will the Pension Boards commence distribution, nor will the Member elect to have the distribution commence, later than the Member's Required Beginning Date, or under a method that does not satisfy Code section 401(a)(9) as applied to Code section 403(b) plans in accordance with Code section 403(b)(10) and Treas. Reg. § 1.403(b)-6(e), and Section 4.05 of this Plan.
- (2) The Member's Accumulations, unless paid under this Article IV, shall be held by the Plan for the benefit of the Member or the Member's Beneficiary until such time as the Member begins receiving a retirement benefit based on age and Severance from Employment, or a Disability benefit based on Disability and Severance from Employment, or until the Beneficiary or Member's estate is entitled to receive a death benefit. Notwithstanding the foregoing, if after a reasonable investigation, the whereabouts of a Member or Beneficiary is unknown for a period of two (2) years, the Member's or Beneficiary's Accumulated Benefit shall be forfeited to the Plan
- (3) No benefit shall be payable solely because a Member has ceased to have authorization for ministry.

(B) Method of payment.

- (1) A Member may select on the appropriate distribution form specified by the Pension Boards the method or methods of payment permitted by this Plan. A Member who satisfies the requirements of Section 4.04(B) of this Plan will receive a single sum distribution in addition to any Annuity benefit payable by the Plan.
- (2) Annuity benefits are provided subject to actuarial determination and other rules and procedures of the Pension Boards including, without limitations, rules and procedures applicable to adjustments to Annuity payments and the rules contained in Treas. Reg.

§ 1.403(b)-9(a)(5). Once Annuity benefit payments commence under the Plan, the form of Annuity benefit cannot be changed by the Member or the Beneficiary, and a Member, contingent Annuitant or Beneficiary, as applicable, cannot surrender the right to such payments and receive a single sum payment. In accordance with Treas. Reg. § 1.403(b)-9(a)(5), an Annuity paid pursuant to this Plan shall have an actuarial Present Value, at the Annuity Starting Date, equal to the Member's or Beneficiary's Accumulated Benefit, based on reasonable actuarial assumptions, including assumptions regarding interest and mortality, and the Pension Boards, as the sponsor of this Plan, guarantees benefits in the event that a payment is due that exceeds the Member's or Beneficiary's Accumulated Benefit.

- (C) Consent of Spouse. Consent of a Spouse is required as specified in Section 4.04(C)(3)(d) of this Plan and must be witnessed by a representative of the Pension Boards or a notary public. The consent of a Member's Spouse will be irrevocable. Consent of a Spouse will not be required for a surviving Beneficiary or alternate payee to receive a distribution. Notwithstanding anything in the Plan to the contrary, the consent of the Member's Spouse will not be required if the Member provides the Pension Boards with a decree of divorce or legal separation (unless a domestic relations order provides otherwise) or with evidence satisfactory to the Pension Boards that the Spouse's consent cannot be obtained.

## **4.2 DISTRIBUTIONS WHILE IN-SERVICE.**

- (A) A Member may not receive any distribution from his or her Account prior to his or her Severance Date or Severance from Employment except as otherwise expressly provide in this Plan. Notwithstanding the foregoing, a Member may receive a distribution of all or a portion of his or her Rollover Contribution Account, Transfer Contribution Account (in accordance with Section 4.11, including restrictions on distribution imposed as a condition of the transfer) or Retirement Savings Account (after attainment of age 59½) prior to his or her Severance Date or Severance from Employment.
- (B) Notwithstanding any other provisions in the Plan to the contrary, Pre-Tax Contributions, Designated Roth Contributions and Retirement Savings Account Contributions made pursuant to a Salary Reduction Agreement, together with earnings on those Contributions and Deferrals may not be distributed to the Member unless the Member:
- (1) Attains age 59½,
  - (2) Is eligible to receive a qualified reservist distribution as defined in Code section 72(t)(2)(G),
  - (3) Has a Severance Date, or
  - (4) Becomes Disabled.

(C) In-service distributions are governed by Section 4.04 of this Plan.

**4.3 HARDSHIP DISTRIBUTIONS.** Hardship distributions to Members and/or Beneficiaries are not available under the Plan.

**4.4 DISTRIBUTIONS – PARTIAL WITHDRAWAL AND ANNUITY BENEFITS.**

(A) Commencement of Benefits. Following a Member's Severance Date or at such other time as expressly provided for in this Section 4.04, a Member may begin receiving partial withdrawal and Annuity benefits with respect to his or her Vested Account under the Plan as provided for in this Section 4.04.

(B) Partial Withdrawal Benefits. A Member may elect to receive a partial withdrawal of benefits in accordance with this Section 4.04(B).

(1) Distribution of Pre-Tax Contributions, After-Tax Contributions and Designated Roth Contributions. A Member, a Beneficiary or an alternate payee, as the case may be, may elect to receive a lump sum payment equal to up to one hundred percent (100%) of the Member's Accumulations derived from Pre-Tax Contributions, After-Tax Contributions and Designated Roth Contributions, as well as investment gains and losses on all such Contributions, provided that such person is any of the following:

(a) a Member who:

- (i) is a Terminated Member (that is, a Member who has experienced a Severance of Employment);
- (ii) at the time of commencing Annuity payments in accordance with this Section 4.04 has attained Normal Retirement Age;
- (iii) has attained age fifty-nine and one-half (59 ½), works twenty (20) hours or less per week, and is electing early retirement benefits under Section 4.04(C)(1)(b); or
- (iv) Is entitled to a Disability benefit under Section 4.08;

(b) a Beneficiary (other than a Beneficiary who is (i) a joint-life Annuitant named by the Member when electing a joint-life and survivor Annuity under Sections 4.04(C)(4)(c), (d), (e) or (f) of this Plan to receive a life income if the joint-life Annuitant survives the Member, or (ii) a 120-Payment Beneficiary); or

(c) an alternate payee.

Instead of taking a distribution of partial withdrawal benefits under this Section 4.04(B)(1), the Member may elect to transfer all or a portion of such amounts that could be taken in a lump sum to a Retirement Savings Account to be distributed or annuitized, at the election of the Member, at a later time.

(1) Distribution of Church and Employer Contributions. A Member may elect to receive a lump sum payment equal to up to twenty percent (20%) of the value of the member's Accumulations derived from Church or Employer Contributions (including Church Contributions, Employer Contributions, Herring-Stark Fund Contributions, NGLI Contributions, Special Employer Contributions and any other type of Contribution that this Plan requires be treated as Church or Employer Contributions) and investment gains and losses on such Contributions and not derived from Pre-Tax Contributions,



After-Tax Contributions and Designated Roth Contributions and investment gains and losses on those Contributions, provided that such Member:

- (a) has attained Normal Retirement Age;
- (b) has attained Early Retirement Age, works twenty (20) hours or less per week, and is electing early retirement benefits under Section 4.04(C)(1)(b); or
- (c) is entitled to Disability benefit under Section 4.08.

Any lump sum distribution made to a member prior to annuitization of the Member's church or Employer Contributions shall reduce the amount of any lump sum distribution that is available to the Member at the time of annuitization of the Member's Accumulations. If the Member elects to receive the lump sum payment provided in this Section 4.04(B)(2), the Annuity payable under this Section 4.04 shall be an amount having a Present Value equal to the remaining Accumulations after such lump sum payment.

Instead of taking a distribution of partial withdrawal benefits under this Section 4.04(B)(2), the Member may elect to transfer all or a portion of such amounts that could be taken in a lump sum to a Retirement Savings Account to be distributed or annuitized, at the election of the Member, at a later time.

- (1) Distribution of Small Balances. If the total Accumulations of:
  - (a) A Terminated Member (that is, a Member who has experienced a Severance of Employment, or the Beneficiary or alternate payee of such Member); or
  - (b) A Member who at the time of commencing Annuity payments in accordance with this Section 4.04 has attained Normal Retirement Age; or
  - (c) A Member who has attained age fifty-nine and one-half ( $59\frac{1}{2}$ ), works twenty
    - (1) hours or less per week, and is electing early retirement benefits under subsection (C)(1)(b) of this Section 4.04; or
  - (d) A Member who is entitled to Disability benefit under Section 4.08; or
  - (e) A Beneficiary (other than a Beneficiary who is: (i) joint-life Annuitant named by the Member when electing a joint-life and survivor Annuity under Section 4.04(C)(4)(c), (d), (e) or of this Plan to receive a life income if the joint-life Annuitant survives the Member, or (ii) a 120-Payment Beneficiary) or alternate payee is less than ten thousand dollars (\$10,000), after any withdrawals made pursuant to subsections (B)(1) and (B)(2), above, such Member, Beneficiary or alternate payee may elect to receive in a lump sum payment from the Plan the total value of such Accumulations and is not required to receive any benefit payments in the form of an Annuity. Upon payment of the current value of the Accumulations to such Member, Beneficiary or alternate payee, such Member, Beneficiary or alternate payee shall cease to be a Member, Beneficiary or alternate payee of the Plan and shall have no further claim upon the Plan.
- (1) A Member, Beneficiary (other than a Beneficiary who is: (i) joint-life Annuitant named by the Member when electing a joint-life and survivor Annuity under Sections 4.04(C)(4)(c), (d), (e) or (f) of this Plan to receive a life income if the joint-life Annuitant survives the Member, or (ii) a 120-Payment Beneficiary) or alternate payee

may take a total or partial distribution from a Retirement Savings Account at any time; provided, however, that the minimum distribution from a Retirement Savings Account is \$500.00.

- (2) The distribution of Rollover Contributions is governed by Section 4.11(A) of this Plan and not by this Section 4.04. The distribution of Transfer Contributions is governed by Section 4.11(B) of this Plan and not by this Section 4.04.
- (3) Elections may be made under any or all of the above options, to the extent that a Member or Beneficiary meets the applicable eligibility requirements.

(B) Annuity Benefits.

(1) Age Annuity Benefits

- (a) Normal Age Annuity Benefit. After attainment of Normal Retirement Age regardless of whether the Member is an Active Member or not, a Member may elect to receive a Normal Age Annuity Benefit as provided in this Section 4.04(C). At the time the Member elects to commence receiving an Annuity under this Section 4.04(C)(1)(a), the Member must elect to transfer his Accumulations either to the Reserve for Annuitants for the payment of a Basic Annuity or to the Reserve for Annuitants for the payment of a Participating Annuity.
- (b) Early Retirement Age Annuity Benefit. After attainment of Early Retirement Age and incurring a Severance Date or Severance from Employment, a Member may elect to receive an Early Retirement Age Annuity Benefit as provided in this Section 4.04(C). In addition, a Member who has attained Early Retirement Age and who works twenty (20) hours or less per week may also elect to receive an Early Retirement Age Annuity Benefit as provided in this Section 4.04(C), but if the Member has not attained age 59½, then such Annuity shall be funded solely from Contributions that are not Pre-Tax Contributions or Designated Roth Contributions. Upon attainment of age 59½, the Member may apply his or her Pre-Tax Contributions and Designated Roth Contributions to supplement his or her Early Retirement Age Annuity Benefit. If the Member has attained age 59½ at the time his or her Early Retirement Age Annuity Benefit commences, then all of the Member's Accumulated Benefit may be used to fund his or her Early Retirement Age Annuity Benefit. At the time the Member elects to commence receiving an Annuity under this Section 4.04(C)(1)(b), the Member must elect to transfer his Accumulations either to the Reserve for Annuitants for the payment of a Basic Annuity or to the Reserve for Annuitants for the payment of a Participating Annuity.

- (1) Disability Annuity Benefit. A Member who meets the requirements of Section 4.08 is entitled to receive a Disability Annuity.
- (2) "Basic Annuity," "Participating Annuity," General Annuity Requirements and Spousal Consent Requirements.
  - (a) A "Basic Annuity" means the monthly payments of a variable amount based on a Member's Accumulations that have been transferred to the Reserve for Annuitants for the payment of a Basic Annuity (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above) to provide for such Annuity.

- (b) A "Participating Annuity" means the monthly payments of a variable amount based on a Member's Accumulations that have been transferred to the Reserve for Annuitants for the payment of a Participating Annuity (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above) to provide such Annuity.
- (c) A Member or Beneficiary is not required to annuitize Retirement Savings Account Contributions and investment gains and losses on such Contributions.
- (d) The same optional benefit form of Annuity elected by the Member shall be applied to the Member's entire Account and Accumulations (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above). Written consent of a Member's Spouse is required for election by the Member of any of the following options:
  - (i) A partial withdrawal under Section 4.04(B), above; and/ or
  - (ii) A Single Life Annuity specified in Section 4.04(C)(4)(a), below; or
  - (iii) A Single Life Annuity with 120 Payments Guaranteed specified in Section 4.04(C)(4)(b), below; or
  - (iv) An option specified in Section 4.04(C)(4)(c), (d), (e) or (f), below, if such Spouse is not to be designated as the joint-life Annuitant under the elected option.

The consent of the Member's Spouse must be witnessed by a representative of the Pension Boards or a notary public.

- (2) Optional Forms of Annuities. The Member must select either a Participating Annuity or a Basic Annuity, as described in Section 4.04(C)(3)(a) and (b), above. In addition, the Member must select one of the following optional forms of Annuity specified in this Section 4.04(C)(4):
  - (a) Single Life Annuity. The Member may elect to receive a single life Annuity payable monthly for the life of the Annuitant Member. No further payment is made after the death of the Annuitant Member. The Present Value of the Member's Annuity shall be equal to the Member's Accumulations used to fund the Annuity at the time the Member enters upon the Annuity (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above).
  - (b) Single Life Annuity with 120 Payments Guaranteed.
    - (i) The Member may elect to receive a Single Life Annuity payable monthly for the life of the Annuitant Member with 120 payments guaranteed. The Present Value of the Member's Annuity shall be equal to the Member's Accumulations used to fund the Annuity at the time the Member enters upon the Annuity (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above).
    - (ii) In the event the Member does not survive to receive 120 payments, payments will be continued to the 120-Payment Beneficiary until a total of 120 payments have been made to the Member and Beneficiary. In the event the 120-Payment

Beneficiary does not survive the Member, or does not survive to receive the full number of remaining payments, the Present Value of any remaining unpaid payments will be paid in a single sum to the estate of the last to survive of the Member or the 120-Payment Beneficiary.

- (c) 66 2/3% Joint Life and Survivor Annuity. The Member may elect to receive a joint-life and survivor Annuity payable monthly for the life of the Annuitant Member and, after the Member's death, 66 2/3% of the amount the Member would have received, had benefits continued to the Member, shall continue throughout the life of the surviving joint-life Annuitant designated by the Member before entering upon the Annuity. The Present Value of the Member's Annuity shall be equal to the Member's Accumulations used to fund the Annuity at the time the Member enters upon the Annuity (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above).
- (d) 66 2/3% Joint Life and Survivor Annuity with 120 Payments Guaranteed.
  - (i) The Member may elect to receive a joint-life and survivor Annuity payable monthly for the life of the Annuitant Member and, after the Member's death, 66 2/3% of the amount the Member would have received, had benefits continued to the Member, shall continue throughout the life of the surviving joint-life Annuitant designated by the Member before entering upon the Annuity. After the Member's death, 66 2/3% of the amount the Member would have received, had benefits continued to the Member, shall continue throughout the life of the surviving joint-life Annuitant designated by the Member before entering upon the Annuity. The Present Value of the Member's Annuity shall be equal to the Member's Accumulations used to fund the Annuity at the time the Member enters upon the Annuity (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above).
  - (ii) In the event that neither the Member nor the Member's joint-life Annuitant survives to receive a total of 120 payments, payments shall be continued to the designated 120-Payment Beneficiary until a total of 120 payments have been made. Payment to the designated 120-Payment Beneficiary shall be in the same amount as would have been paid to the Member's joint-life Annuitant. If no named 120-Payment Beneficiary survives the Member and the Member's joint-life Annuitant, or if the 120-Payment Beneficiary does not survive to receive the full number of remaining payments, the Present Value of any remaining unpaid payments will be paid in a single sum to the estate of the last to survive of the Member, the Member's joint Annuitant or the designated 120-Payment Beneficiary.
- (e) 100% Joint Life and Survivor Annuity. The Member may elect to receive a joint-life and survivor Annuity payable monthly for the life of the Annuitant Member and, after the Member's death, 100% of the amount the Member would have received, had benefits continued to the Member, shall continue throughout the life of the surviving joint-life annuitant designated by the Member before entering upon the Annuity. The Member's Annuity shall be the amount having a Present Value equivalent to the Member's Accumulations used to fund the Annuity at the time the Member enters upon the Annuity

(after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above).

- (f) 100% Joint Life and Survivor Annuity with 120 Payments Guaranteed.
  - (i) The Member may elect to receive a joint-life and survivor Annuity payable monthly for the life of the Annuitant Member and, after the Member's death, 100% of the amount the Member would have received, had benefits continued to the Member, shall continue throughout the life of the surviving joint-life Annuitant designated by the Member before entering upon the Annuity. After the Member's death, 100% of the amount the Member would have received, had benefits continued to the Member, shall continue throughout the life of the surviving joint-life Annuitant designated by the Member before entering upon the Annuity. The Present Value of the Member's Annuity shall be equal to the Member's Accumulations used to fund the Annuity at the time the Member enters upon the Annuity (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B), above).
  - (ii) In the event that neither the Member nor the Member's joint-life Annuitant survives to receive a total of 120 payments, payments shall be continued to the designated 120-Payment Beneficiary until a total of 120 payments have been made. Payment to the designated 120-Payment Beneficiary shall be in the same amount as would have been paid to the Member's joint-life Annuitant. If no named 120-Payment Beneficiary survives the Member and the Member's joint-life Annuitant, or if the 120-Payment Beneficiary does not survive to receive the full number of remaining payments, the Present Value of any remaining unpaid payments will be paid in a single sum to the estate of the last to survive of the Member, the Member's joint Annuitant or the designated 120-Payment Beneficiary.

**4.5 REQUIRED MINIMUM DISTRIBUTIONS.** The Pension Boards will not distribute the Member's Account, nor will the Member elect any distribution of his or her Account, under a method of payment which, as of the Required Beginning Date, does not satisfy the minimum distribution requirements of Code section 401(a)(9) as applied to Code section 403(b) plans in accordance with Code section 403(b)(10) and Treas. Reg. § 1.403(b)-6(e).

(A) General Rules.

- (1) Precedence. The requirements of this Section 4.05 will take precedence over any inconsistent provisions of the Plan.
- (2) Requirements of Treasury Regulations incorporated.
  - (a) All distributions required under this Section 4.05 will be determined and made in accordance with the Treasury regulations under Code section 401(a)(9) as applied to Code section 403(b) plans in accordance with Code section 403(b)(10) and Treas. Reg. § 1.403(b)-6(e).
  - (b) For purposes of applying the distribution rules of Code section 401(a)(9) to Code section 403(b) plans, the minimum distribution rules applicable to individual retirement annuities described in Code section 408(b) and individual retirement accounts described in Code section 408(a) apply to Code section 403(b) plans. Except as otherwise provided in Treas. Reg. § 1.403(b)-6(e)(3)

through (e)(5), the Code section 401(a)(9) distribution rules are applied to Code section 403(b) plans in accordance with the provisions in Treas. Reg. § 1.408-8 for purposes of determining required minimum distributions.

- (c) As provided in Treas. Reg. § 1.403(b)-6(e)(5), for purposes of Treas. Reg. § 1.401(a)(9)-6, A-4 relating to annuity contracts, Annuity payments provided with respect to retirement income accounts under this Plan do not fail to satisfy the requirements of Code section 401(a)(9) merely because the payments are not made under an annuity contract purchased from an insurance company so long as the requirements of Treas. Reg. § 1.403(b)-9(a)(5) for annuities payable from retirement income accounts are met.

(A) Time and manner of distribution.

- (1) Required Beginning Date. The Member's entire interest will be distributed, or begin to be distributed, to the Member no later than the Member's Required Beginning Date.
- (2) Death of Member before distribution begins. If the Member dies before distributions begin, the Member's entire interest will be distributed, or begin to be distributed, no later than as follows:
  - (a) Spouse Designated Beneficiary. If the Member's surviving Spouse is the Member's sole Designated Beneficiary, distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Member dies, or by December 31 of the calendar year in which the Member would have attained age 72, if later.
  - (b) Non-Spouse Designated Beneficiary. If the Member's surviving Spouse is not the Member's sole Designated Beneficiary, distributions to the Designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Member died.
  - (c) No Designated Beneficiary. If there is no Designated Beneficiary as of September 30 of the year following the year of the Member's death, the Member's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Member's death.
  - (d) Death of Spouse. The special rule in Treas. Reg. § 1.408-8, A-5 relating to spousal beneficiaries that provides that a surviving spouse may treat an individual retirement annuity or account as his or her own and delay distribution to the surviving spouse's required beginning date of April 1 following the surviving spouse's attainment of age 72 does not apply to a Code section 403(b) plan.

For purposes of this Section 4.05(B) and Section 4.05(D), distributions are considered to begin on the Member's Required Beginning Date. If distributions under a lifetime or fixed period benefit commence to the Member before the Member's Required Beginning Date (or to the Member's surviving Spouse before the date distributions are required to begin to the surviving Spouse under Section 4.05(B)(2)(a)), the date distributions are considered to begin is the date distributions actually commence.

- (1) Forms of distribution. Unless the Member's interest is distributed in the form of a lifetime benefit, fixed period benefit or in a single sum in a manner to satisfy the requirements of Code section 401(a)(9) and the Treasury regulations, including Treas. Reg. § 1.403(b)-6(e), distributions will be made in accordance with Sections 4.05(C)

and 4.05(D). If the Member's interest is distributed in the form of a lifetime or fixed period benefit, distributions will be made in accordance with the requirements of Code section 401(a)(9) and the Treasury regulations, including Treas. Reg. § 1.403(b)-6(e).

(B) Required minimum distributions during Member's lifetime.

- (1) Amount of required minimum distribution for each Distribution Calendar Year. During the Member's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of:
  - (a) Uniform Lifetime Table. The quotient obtained by dividing the Member's Account Balance by the number of the Uniform Lifetime Table set forth in Treas. Reg. § 1.401(a)(9)-9, using the Member's attained age as of the Member's birthday in the Distribution Calendar Year; or
  - (b) Spouse ten years younger than Member. If the Member's sole Designated Beneficiary for the Distribution Calendar Year is the Member's Spouse, the quotient obtained by dividing the Member's Account Balance by the number in the Joint and Last Survivor Table set forth in Treas. Reg. § 1.401(a)(9)-9, using the Member's and Spouse's attained ages as of the Member's and Spouse's birthdays in the Distribution Calendar Year.
- (1) Lifetime required minimum distributions continue through year of Member's death. Required minimum distributions will be determined under this Section 4.05(C) beginning with the first Distribution Calendar Year and up to and including the Distribution Calendar Year that includes the Member's date of death.

(B) Required minimum distributions after Member's death.

- (1) Death on or after distributions begin.
  - (a) Member survived by Designated Beneficiary. If the Member dies on or after the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Member's death is the quotient obtained by dividing the Member's Account Balance by the longer of the remaining Life Expectancy of the Member or the remaining Life Expectancy of the Member's Designated Beneficiary, determined as follows:
    - (i) Member's Life Expectancy. The Member's remaining Life Expectancy is calculated using the attained age of the Member as of the Member's birthday in the calendar year of death, reduced by one for each subsequent calendar year.
    - (ii) Spouse's Life Expectancy. If the Member's surviving Spouse is the Member's sole Designated Beneficiary, the remaining Life Expectancy of the surviving Spouse is calculated for each Distribution Calendar Year after the year of the Member's death using the surviving Spouse's age as of the Spouse's birthday in that year. For Distribution Calendar Years after the year of the surviving Spouse's death, the remaining Life Expectancy of the surviving Spouse is calculated using the attained age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

- (iii) Non-Spouse's Life Expectancy. If the Member's surviving Spouse is not the Member's sole Designated Beneficiary, the Designated Beneficiary's remaining Life Expectancy is calculated using the attained age of the Beneficiary as of the Beneficiary's birthday in the calendar year following the calendar year of the Member's death, reduced by one for each subsequent calendar year.
  - (b) No Designated Beneficiary. If the Member dies on or after the date distributions begin and there is no Designated Beneficiary as of September 30 of the calendar year after the calendar year of the Member's death, the minimum amount that will be distributed for each Distribution Calendar Year after the calendar year of the Member's death is the quotient obtained by dividing the Member's Account Balance by the Member's remaining Life Expectancy calculated using the attained age of the Member as of the Member's birthday in the calendar year of death, reduced by one for each subsequent calendar year.
- (1) Death before date distributions begin.
- (a) Member survived by Designated Beneficiary. If the Member dies before the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Member's death is the quotient obtained by dividing the Member's Account Balance by the remaining Life Expectancy of the Member's Designated Beneficiary, determined as provided in Section 4.05(D)(1).
  - (b) No Designated Beneficiary. If the Member dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Member's death, distribution of the Member's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Member's death.
  - (c) Death of surviving Spouse before distributions to surviving Spouse are required to begin. If the Member dies before the date distributions begin, the Member's surviving Spouse is the Member's sole Designated Beneficiary, and the surviving Spouse dies before distributions are required to begin to the surviving Spouse under Section 4.05(B)(2)(a), this Section 4.05(D)(2) will apply as if the surviving Spouse were the Member.

(A) Definitions. For purposes of this Section 4.05, the following definitions apply.

- (1) Designated Beneficiary. "Designated Beneficiary" means the individual who is designated as the Beneficiary under the Plan and is the Designated Beneficiary under Code section 401(a)(9) and Treas. Reg. § 1.401(a)(9)-1, Q&A-4.
  - (a) Trusts as Designated Beneficiaries. References in this Plan to the Life Expectancy or lives of Designated Beneficiaries who are individuals include individuals who are beneficiaries of a trust which is designated as a Designated Beneficiary, provided that the trust is an "eligible trust." A trust is an "eligible trust" if all of the following conditions are met:
    - (i) The trust is a valid trust under state law, or would be but for the fact that there is no corpus.
    - (ii) The trust is irrevocable or, if revocable, will become irrevocable upon the Member's death.



- (iii) The beneficiaries of the trust who are beneficiaries with respect to the trust's interest in the Member's benefit are identifiable from the trust instrument within the meaning of Q&A 5 of Treas. Reg. § 1.401(a)(9)-4.
- (iv) The Member provides The Pension Boards with a list of all the beneficiaries of the trust, along with a description of the portion of the trust to which they are entitled and any conditions on their entitlement, and certifies, in accordance with the applicable rules, regulations or procedures adopted by The Pension Boards, that, to the best of the Member's knowledge, the list is correct and complete and that all the other requirements listed in subsections (i) through (iii) above have been met; provided, however, the Member must provide The Pension Boards with a copy of the trust on request.

If a trust meets the above requirements, the relevant Life Expectancy of the Designated Beneficiary for purposes of calculating distributions under Section 4.05 shall be the Life Expectancy of the trust beneficiary who has the shortest Life Expectancy. A trust that does not meet the above requirements will be treated as having no Life Expectancy, but still may be named as a Member's Designated Beneficiary.

- (2) Distribution Calendar Year. "Distribution Calendar Year" means the calendar year for which a minimum distribution is required. For distributions beginning before the Member's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Member's Required Beginning Date. For distributions beginning after the Member's death, the first Distribution Calendar Year is the calendar year in which the distributions are required to begin under Section 4.05(B)(2). The required minimum distribution for the Member's first Distribution Calendar Year will be made on or before the Member's Required Beginning Date. The required minimum distribution for other Distribution Calendar Years, including the required minimum distribution for the Distribution Calendar Year in which the Member's required beginning date occurs, will be made on or before December 31 of that Distribution Calendar Year.
- (3) Life Expectancy. "Life Expectancy" means life expectancy as computed by use of the applicable tables in Treas. Reg. § 1.401(a)(9)-9.
- (4) Member's Account Balance. The Account balance as of the last Valuation Date in the calendar year immediately preceding the Distribution Calendar Year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of dates in the valuation calendar year after the Valuation Date and decreased by distributions made in the valuation calendar year after the Valuation Date. The account balance for the valuation calendar year includes any Rollover Contributions or Transfers to the Plan either in the valuation calendar year or in the Distribution Calendar Year if distributed or transferred in the valuation calendar year.
- (5) Required Beginning Date. A Member's Required Beginning Date is the April 1 of the calendar year following the later of: (1) the calendar year in which the Member attains age 72, or (2) the calendar year in which the Member retires or such other date under Code section 401(a)(9) by which required minimum distributions must commence.

#### **4.6 DISTRIBUTIONS OF SMALL ACCOUNT BALANCES.**

- (A) Instead of distributing benefits in accordance with the type of distribution elected by the Member or Beneficiary, the Pension Boards, in its sole discretion, may make, over a period

determined by the Pension Boards, a specified number of payments or a single payment, the Present Value of which shall be equal to the value of the Member's Accumulations if the total value of the Member's Accumulations or the balance remaining after any withdrawal is less than ten thousand dollars (\$10,000) at the time the Member becomes an Inactive Member or at the time a benefit becomes payable under Section 4.04 of this Plan; or

- (B) Upon payment of the Present Value of the Member's Accumulations to the Member or to the Beneficiary, such Member or Beneficiary shall cease to be a Member or Beneficiary of the Plan and shall have no further claim upon the Plan.

#### **4.7 DEATH BENEFIT.**

- (A) Upon receipt of satisfactory proof of the death of an Active or Inactive Member, the Beneficiary may elect to receive his or her death benefit in accordance with this Section 4.07.
- (B) If the Beneficiary named by the Member has attained age fifty (50), the Beneficiary may elect to receive a single life Annuity having a Present Value equal to the Member's Accumulations (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B) of this Plan) as provided in Section 4.04(C)(4)(a) or (b) of this Plan, beginning at such time as the Beneficiary shall elect.
- (C) If the Beneficiary named by the Member has not attained age fifty (50), the Beneficiary may elect to receive either:
  - (1) A Single Life Annuity having a Present Value equal to the Member's Accumulations (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B) of this Plan) as provided under in Section 4.04(C)(4)(a) or (b) of this Plan, or
  - (2) Over a period elected by the Beneficiary from among alternative periods established by the Pension Boards, a specified number of payments, the Present Value of the payments at the amount initially determined shall be equal to the value of the Member's Accumulations, provided that, if the Member's Beneficiary dies before the end of such period, a single payment shall be made to the named Beneficiary of the Member's Beneficiary equal to the present value of the balance of such specified payments at the amount being paid per payment on the Member's Beneficiary's date of death. shall be made to the named Beneficiary of the Member's Beneficiary equal to the present value of the balance of such specified payments at the amount being paid per payment on the Member's Beneficiary's date of death.
- (D) If the Member's Beneficiary defers entering upon an Annuity, the deceased Member's Accumulations shall continue to be credited with gains and losses in the same manner as Active Members. The Member's Beneficiary shall have the right to direct investments of the deceased Member's Accumulations in the same manner as an Active Member.
- (E) Notwithstanding the provisions of paragraphs (B) and (C) above, if the Beneficiary is not the Surviving Spouse of the Member, a dependent of the Member, or a guardian or trustee for such Surviving Spouse or dependent, or if the Beneficiary is an estate, the Beneficiary may elect to receive a single payment equal to the Member's Accumulated Benefit under this Plan.
- (F) If no named Beneficiary and no Spouse to whom the Member is legally married and is not legally separated survives the Member, the Plan shall make a single payment equal to the amount as determined under Section 4.04 of this Plan to the Member's estate.

- (G) Notwithstanding any other provision of the Plan to the contrary, a Beneficiary who becomes eligible to receive death benefits as an Annuity pursuant to this Section 4.07 may receive only a Basic Annuity or Participating Annuity, as specified in Section 4.04(C)(4) of this Plan, as a death benefit.
- (H) In no event will the Pension Boards commence distributions, nor will the Beneficiary elect to have distributions commence, later than the Required Beginning Date as defined under Section 4.05, or under a method that does not satisfy Section 4.05 of this Plan.

#### **4.8 DISABILITY RETIREMENT BENEFIT.**

- (A) Disability. Upon furnishing evidence satisfactory to the Pension Boards that he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration, a Member shall be entitled to a Disability Annuity. Disability Annuities payable pursuant to this Section 4.08 shall be calculated in accordance with the mortality table or tables and other actuarial specifications for such Disability Annuities that have been approved by the Board of Trustees. A Member will not be considered to have a Disability or to be Disabled unless he or she furnishes evidence satisfactory to the Pension Boards that he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration. Notwithstanding the foregoing or any other provision of this Plan to the contrary, a Member who is receiving or is entitled to receive disability income benefits under the Life and Disability Income Benefit Plan maintained by the Pension Boards shall not receive a Disability Annuity under this Section 4.08 even if otherwise entitled to receive such Disability benefits.
- (B) Type and Form of Disability Annuity. A Member who becomes eligible to receive a Disability Annuity pursuant to this Section 4.08 may receive a Participating Annuity or a Basic Annuity and may select one of the optional forms of an Annuity, as provided in Section 4.04(C)(4) of this Plan. The Member's Disability Annuity shall be the amount having a Present Value equal to the Member's Accumulations used to fund the Annuity at the time the Member enters upon the Disability Annuity (after adjustment for amounts transferred to or from any of the Member's other Accounts pursuant to Section 4.04(B) of this Plan).
- (C) Recovery from Disability. If a Disabled Member recovers from such Disability, the Disability Annuity may be terminated prior to age 65 at the option of the Member or the Pension Boards. In the event of such termination, the then Present Value of the Disability Annuity shall be credited to the Member's Account, as elected by the Member and shall be treated for all purposes under this Plan as Member Accumulations. In addition, if the Member has authorization for ministry, or is an Employee, payments to the Plan with respect to the Member may be resumed.

#### **4.9 DISTRIBUTIONS UNDER DOMESTIC RELATIONS ORDERS.** The Pension Boards will comply with the terms of a domestic relations order ("DRO") as defined in Code section 414(p) that is issued with respect to the Plan that the Pension Boards determines in its sole discretion, is valid and satisfies the Plan's DRO procedures.

- (A) DRO procedures. The Pension Boards shall establish reasonable procedures to determine the qualified status of a domestic relations order. Upon receiving a draft domestic relations order, the Pension Boards promptly shall notify the Member and any alternate payee named in the order, in writing, of the receipt of the order and the Plan's procedures for determining the domestic relations order meets the Pension Board's requirements. Within a reasonable period of time after receiving the DRO, the Pension Boards will determine the status of the order and shall notify the Member and each alternate payee, in writing, of the Pension Boards'

determination. The Pension Boards will provide Notice under this paragraph by mailing to the Member and to each alternate payee at the alternate payee's address specified in the domestic relations order. If the Pension Boards determines the order is valid, the Pension Boards will assign any amounts in accordance with the DRO. If the Pension Boards determines the order not to be valid, the parties will be provided 18 months to obtain an amended order to qualify as a valid DRO. No DRO is valid if it: (a) requires any type or form of benefit, payment or option not permitted by the Plan, (b) requires the acceleration of any benefit payment hereunder, (c) requires the Plan to provide benefits in excess of the amount credited to the Member's Account or (d) requires the payment of benefits which already are being paid to another alternate payee pursuant to a previous DRO issued by a court of competent jurisdiction. Under no other circumstances will an alternate payee be entitled to receive any benefits under this Plan.

- (B) Accounting. If any portion of the Member's Account balance is payable to an alternate payee under the domestic relations order during the period the Pension Boards is making its determination of the qualified status of the domestic relations order, the Pension Boards may, but is not required to, maintain a separate accounting of the amounts payable. The Pension Boards may segregate the DRO amount in a segregated investment account.
- (C) Time and method of payment. An alternate payee is treated as a Member under this Plan and may take distributions from the Plan at the same time and in the same forms as a Member. Nothing in this Section 4.09 or any other provision of this Plan gives an alternate payee or a Member a right to receive a distribution at a time the Plan otherwise does not permit or authorizes the alternate payee to receive a form of payment the Plan does not permit. The Pension Boards will make any payments or distributions required under this Section 4.09 by separate benefit checks or other separate distribution to the alternate payee.

**4.10 TRANSFERS OUT OF THE PLAN.** A Member may transfer his or her Account or any portion thereof out of the Plan to another plan only with the express written consent of the Pension Boards. Whether to permit a transfer out of the Plan to another plan is within the sole discretion of the Pension Boards. Plan-to-Plan Transfers into the Plan are governed by Article III of this Plan.

**4.11 DISTRIBUTION OF ROLLOVER AND TRANSFER CONTRIBUTIONS.**

- (A) Rollover Contribution Account. The Pension Boards, at the direction of a Member, will distribute to the Member all or a portion of the Member's Rollover Contribution Account at any time, in accordance with applicable law, including Treas. Reg. § 1.403(b)-6(i).
- (B) Transfer Contribution Account. The Pension Boards at the direction of the Member will distribute to a Member:
  - (1) Following the Member's Severance Date or Severance from Employment, death, or Disability, all or a portion of the Member's Transfer Contribution Account attributable to the Church or Employer with whom the Employee no longer has an employment relationship;
  - (2) All or a portion of the Member's Transfer Contribution Account that is attributable to contributions made pursuant to a Salary Reduction Agreement (within the meaning of Code section 402(g)(3)(C)), and their earnings made after December 31, 1988, following the Member's attainment of age fifty-nine and one-half (59½), eligibility to receive a qualified reservist distribution as defined in Code section 72(t)(2)(G), death, or Disability;
- (C) Transfer Contributions attributable to Contributions made by a Church or an Employer (that is, Contributions that are not made pursuant to a Salary Reduction Agreement) will be subject

to the same distribution restrictions as Church or Employer Contributions. In determining whether the Member's Severance Date or Severance from Employment has occurred, employment status will be based on the Church or Employer that made the Church or Employer Contributions and determined in accordance with the provisions of Section 1.63 of this Plan.

- (D) Notwithstanding the foregoing, Transfer Contributions attributable to Contributions made by an employer (non-elective contributions) previously held in a Code section 403(b)(7) custodial account may not be distributed unless the Member attains age fifty-nine and one-half (59½) has a Severance Date or Severance from Employment, dies or becomes Disabled.

#### **4.12 ELIGIBLE ROLLOVER DISTRIBUTIONS.**

- (A) Member election. A Member may elect, at the time and in the manner the Pension Boards prescribes, to have any portion of his or her eligible rollover distribution from the Plan paid directly to an eligible retirement plan specified by the Member in a direct rollover election. For purposes of this election, a "Member" includes as to their respective interests, a Member's surviving Spouse and the Member's Spouse or former Spouse who is an alternate payee under a DRO.
- (B) Rollover and Withholding Notice. At least thirty (30) days and not more than one-hundred eighty (180) days prior to the Pension Boards' distribution of an eligible rollover distribution, the Pension Boards will provide a written Notice (including a summary Notice as permitted under applicable Treasury regulations) explaining to the Member the rollover option, the applicability of mandatory twenty percent (20%) federal withholding to any amount not directly rolled over, and the Member's right to roll over within sixty (60) days after the date of receipt of the distribution ("rollover notice"). The Member may waive the notice period by making an affirmative election on the distribution form indicating whether or not he or she wants to make a direct rollover.
- (C) Definitions. The following definitions apply to this Section 4.12:
  - (1) Eligible Rollover Distribution. An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Member, except an Eligible Rollover Distribution does not include:
    - (a) Any distribution which is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Member or the joint lives (or joint life expectancies) of the Member and the Member's designated Beneficiary, or for a specified period of ten years or more;
    - (b) Any Code section 401(a)(9) required minimum distribution;
    - (c) Any hardship distribution; and
    - (d) Any distribution which otherwise would be an Eligible Rollover Distribution, but where the total distributions to the Member during that Plan Year are reasonably expected to be less than \$200.
  - (1) Eligible Retirement Plan. An Eligible Retirement Plan is an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), an annuity plan described in Code section 403(a), a qualified plan described in Code section 401(a), an annuity contract (or custodial agreement or retirement income account) described in Code section 403(b), a governmental 457(b) plan or a Roth individual retirement annuity or account ("Roth IRA") which accepts the

Member's Eligible Rollover Distribution. If a Member elects to roll over his or her Plan distribution to a Roth IRA, the Member is solely responsible for the tax withholding and reporting on such distribution.

- (2) Direct Rollover. A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Member. A Direct Rollover of a distribution from a Roth Elective Deferral Account under the Plan will only be made to another Roth Elective Deferral Account under an applicable retirement plan described in Code section 402A(e)(1) or to a Roth IRA described in Code section 408A, and only to the extent the rollover is permitted under the rules of Code section 402(c).
- (B) Nonspouse election. A nonspouse Beneficiary may elect, at the time and in the manner the Pension Boards prescribes, to have his or her death benefit distribution from the Plan paid directly to an individual retirement account, described in Code section 408(d)(3)(C), specified by the nonspouse Beneficiary in a Direct Rollover election.
- (C) Retirement Savings Account. Instead of taking a partial withdrawal pursuant to Section 4.04(B) of this Plan, which partial withdrawal is subject to the rules contained in this Section 4.12, a Member or Beneficiary may elect to have all or a portion of the amount that would constitute a partial withdrawal pursuant to Section 4.04(B) of this Plan transferred and contributed to a Retirement Savings Account maintained by the Pension Boards, as described in Section 3.02(E)(1) of this Plan.

**4.13 ORDERING RULES FOR DISTRIBUTIONS.** The Pension Boards operationally may implement an ordering rule procedure for distributions (including, but not limited to, hardship or other in-service distributions) from a Member's Accounts attributable to Pre-Tax Contributions or Roth Elective Deferrals. Such ordering rules may specify whether the Pre-Tax Contributions or Designated Roth Contributions are distributed first. Furthermore, such procedure may permit the Member to elect which type of elective deferrals will be distributed first.

**4.14 LOANS.** Loans to Members and/or Beneficiaries are not available under the Plan.

**4.15 CARES ACT DISTRIBUTIONS.** The Pension Boards, at the direction of a Member, will distribute to the Member a "coronavirus-related distribution" pursuant to this Section 4.15.

- (a) A "coronavirus-related distribution" ("CRD") is a distribution to a Member who satisfies one or more requirements of an "affected individual," defined as an individual (1) who has been diagnosed by a test approved by the Center for Disease Control and Prevention ("CDC") with COVID-19, (2) whose spouse or dependent has been diagnosed by a test approved by the CDC with COVID-19, who has experienced adverse financial consequences as a result of being quarantined, furloughed, laid off, or having their hours reduced as a result of COVID-19, (4) who is unable to work due to lack of child care resulting from COVID-19, (5) who owns or operates a business that is closed (or has experienced a reduction in hours) as a result of COVID-19, or (5) who satisfies other factors as determined by the Secretary of Treasury.
- (b) The Pension Boards may rely on a Member's certification that the Member satisfies one or more requirements of an affected individual.
- (c) The CRD is a lump sum distribution made on or after January 1, 2020 and before December 31, 2020. A CRD shall be available only from a Member's Pre-Tax Contributions, After-Tax Contributions and Designated Roth Contributions and investment gains and losses on such Contributions. The maximum CRD amount for a Member is the lesser of (i) fifty percent (50%) of the Member's

current balance in the aforementioned Contributions and earnings thereon, or  
(ii) \$100,000.

- (d) A CRD shall not be treated as Eligible Rollover Distribution as described in Section 4.12 of this Plan and, therefore, is not subject to mandatory 20% federal withholding. A CRD is subject to a default federal withholding rate of 10%, unless elected otherwise by the Member.
- (e) A Member who receives a CRD may repay up to 100% of the CRD to the Plan. Such repayment must be made within the three-year period following the date the CRD is made to the Member.

## **ARTICLE V**

### **INVESTMENT OF CONTRIBUTIONS, VALUATION OF UNITS AND CREDITS TO ACCOUNTS**

#### **5.1 INVESTMENT FUNDS.**

- (a) Contributions to this Plan shall be invested in one or more Investment Funds, as authorized by the Board of Trustees, which from time to time may include such equity funds, international equity funds, fixed income funds, money market funds, and such other funds as the Board of Trustees decides to offer. The specifications by the Board of Trustees with respect to Investment Funds available under this Plan are incorporated by reference into this Plan the same as if such specifications were fully set forth in this Plan.
- (b) The Pension Boards may keep such amounts of cash as it, in its sole discretion, shall deem necessary or advisable as part of the Funds, all within the limitations specified by the Board of Trustees or in the Trust agreement. Notwithstanding any provisions of the Plan to the contrary, the Pension Boards may temporarily hold Contributions contributed to the Plan in a money market fund or other similar type investment fund pending the allocation of such Contributions to Members' Accounts.
- (c) Dividends, interest, and other distributions received on the assets held by the Pension Boards in respect to each of the above Funds shall be reinvested in the respective Fund.

#### **5.2 INVESTMENT OF MEMBERS' ACCOUNTS.** A Member will have the right to direct the investment or reinvestment of the assets comprising the Member's Account, as provided in this Article V. The Member's direction under this Section 5.02 and under Sections 5.03, 5.04 and 5.05 of this Plan is subject to rules and procedures established from time to time by the Pension Boards, in its sole discretion, including without limitation, rules and procedures concerning the method in which such Investment Fund direction is given, the frequency of Investment Fund direction, the effective date of such Investment Fund direction, minimum amounts or percentages for such Investment Fund direction, and any other requirements for such Investment Fund direction established by the Pension Boards.

A Member shall make one investment election covering his Accounts in accordance with one of the following options:

- (a) one hundred percent (100%) in one of the available Investment Funds;
- (b) In more than one Investment Fund allocated in multiples of five percent (5%).

If no investment election is made, any Contributions made on the Member's behalf shall be invested in an Investment Fund or Funds as determined by the Board of Trustees.

- 5.3 RESPONSIBILITY FOR INVESTMENTS.** Each Member is solely responsible for the selection of his or her investment options. The Board of Trustees, the Pension Boards, the Church, the Employer, and the officers, supervisors, and other employees of the Pension Boards, the Church or the Employer are not empowered to advise a Member as to the manner in which his or her Accounts shall be invested. The fact that an Investment Fund is available to Members for investment under the Plan shall not be construed as a recommendation for investment in the Investment Fund.
- 5.4 CHANGE OF ELECTION.** A Member may change his or her investment election by giving such advance Notice as the Pension Boards shall prescribe. Such changed investment election shall become effective as soon as administratively practicable following such Notice and shall be effective only with respect to subsequent Contributions.
- 5.5 REALLOCATION OF ACCOUNTS AMONG THE FUNDS.** A Member may elect to reallocate his or her Accounts among the Investment Funds, in multiples of five percent (5%), by giving such advance Notice as the Pension Boards shall prescribe. Such reallocation shall be effective as soon as administratively practicable following such Notice, but no later than the next Valuation Date.
- 5.6 LIMITATIONS IMPOSED BY CONTRACT, PROSPECTUS OR OTHER DOCUMENTS OF SIMILAR IMPORT.** Notwithstanding anything in this Article to the contrary, any amounts invested in a fund of guaranteed investment contracts or an investment fund covered by a prospectus or other document of similar import or effect shall be subject to any and all terms of such contracts, prospectus or other documents of similar import or effect, including any limitations therein placed on the exercise of any rights otherwise granted to a Member under any other provisions of this Plan with respect to such amounts.
- 5.7 UNITS OF PARTICIPATION.** A Member's interest in each Investment Fund shall be represented by units of participation in such Fund.
- 5.8 VALUATION OF UNITS.** The value of a unit in each Fund shall be determined on each Valuation Date by dividing the current market value of the assets in that Fund on that date as determined by the Pension Boards after the payment out of that Fund of all brokerage fees and transfer taxes applicable to purchases and sales for that Fund made since the previous Valuation Date and excluding, on each Valuation Date after the first, the contributions made during the period since the previous Valuation Date by the total number of units in that Fund.
- 5.9 CREDITING THE ACCOUNTS.** Each type of Contributions Account of a Member in each Investment Fund shall be credited on each Valuation Date with the number of units determined by dividing each type of Contribution made, if any, to each Fund by or on behalf of the Member since the previous Valuation Date, if applicable, by the unit value for each Fund as determined on that Valuation Date.
- 5.10 QUARTERLY STATEMENTS.** At least quarterly, each Member shall be furnished with a statement setting forth the value of his or her Accounts and, if applicable, the Vested Portion of his or her Accounts.

## **ARTICLE VI ADMINISTRATION**

- 6.1 DUTIES OF THE CHURCH OR EMPLOYER.** The Church or Employer will assume, and by virtue of making Contributions to the Plan and/or executing an adoption agreement specifying such duties agrees to assume, the following duties with respect to the Plan:



- (A) To provide the Pension Boards with the data, including employment information, necessary to discharge its duties under the Plan, including the Pension Boards' duty to administer the Plan in accordance with Code section 403(b) and the regulations promulgated thereunder and in accordance with other federal and state laws governing or affecting the Plan;
- (B) To provide Employees with information about the Plan and to promote participation in the Plan;
- (C) To enroll eligible persons in the Plan;
- (D) To remit Contributions to the Pension Boards, as applicable;
- (E) To notify the Pension Boards in writing if an election is made to terminate participation in the Plan; and
- (F) To notify the Pension Boards if a Nonministerial Member becomes an Eligible Nonministerial Member.

## **6.2 DUTIES OF THE UNITED CHURCH OF CHRIST AND ITS CONFERENCES AND ASSOCIATIONS.**

The United Church of Christ and its Conferences and Associations will assume, and by virtue of making Contributions to the Plan agree to assume, the following duties with respect to the Plan:

- (A) To promote participation in the Plan;
- (B) To remit Contributions to the Pension Boards, as applicable;
- (C) To notify to the Pension Boards whether a United Church of Christ organization, other than a United Church of Christ church or association of United Church of Christ churches, should be treated as a Church for purposes of participation in this Plan;
- (D) To notify to the Pension Boards whether a Church is an Eligible Church;
- (E) To notify the Pension Boards when an organization no longer meets the requirements for participation in the Plan as a Church or Eligible Church;
- (F) To notify to the Pension Boards whether persons enrolled by an Eligible Church are Ministerial Members or Nonministerial Members;
- (G) To notify to the Pension Boards whether a Nonministerial Member is an Eligible Nonministerial Member; and
- (H) To specify whether it makes Contributions for Eligible Nonministerial Members.

## **6.3 DUTIES OF THE PENSION BOARDS.** The Pension Boards will assume, unless otherwise delegated as set forth in Section 6.08, the following duties with respect to the Plan:

- (A) To receive Contributions remitted by a Church, a United Church of Christ Conference, a United Church of Christ Association, the United Church of Christ, the Employer and the Member;
- (B) To maintain the Accounts called for by the Plan, and credit the Contributions under the Plan to such Accounts, in accordance with instructions given by the Member, the Employer, the Church, the United Church of Christ Conference, the United Church of Christ Association, and the United Church of Christ, as appropriate;

- (C) To place sums from time to time received from the Church, the United Church of Christ Conference, the United Church of Christ Association, the United Church of Christ, the Employer and the Member with respect to the Plan in Investment Funds, in accordance with instructions received regarding the choice of investment;
- (D) To use Contributions made under the Plan and the earnings thereon to pay benefits to the Members entitled thereto, such benefits to be paid in accordance with the particular payment options available to and elected by a Member pursuant to Section 4.04 of this Plan;
- (E) To furnish the United Church of Christ with annual financial reports regarding the ongoing operation of the Plan;
- (F) To provide Members with information regarding their rights and obligations under the Plan;
- (G) To enroll Churches, Employers and Members in the Plan;
- (H) In its sole discretion, with full and exclusive authority, to construe and interpret the Plan, to control, manage and administer all claims and to make administrative rules in accordance therewith, and to resolve or otherwise decide matters not specifically covered by the terms and provisions of the Plan, with any decision made in the exercise of its authority being conclusive and binding;
- (I) To determine all questions arising in the administration, interpretation and application of the Plan. Any determination The Pension Boards makes under the Plan is final and binding upon any affected person;
- (J) To determine administrative and expense charges and the methods for applying such charges;
- (K) To specify actuarial assumptions and methods for use in determining benefits under Section 6.4 of the Plan; and
- (L) To coordinate Code requirements, including Code requirements for Code section 403(b) plans, and the requirements of other federal and state laws governing or affecting the Plan, for and on behalf of Ministers, Churches and Employers that participate in the Plan, including:
  - (1) Obtaining and utilizing any employment-based information that is essential for Code and Code section 403(b) compliance;
  - (2) Administering the Plan in accordance with the Code and Code section 403(b); and
  - (3) Coordinating administration and compliance among Code section 403(b) plan issuers, other than the Pension Boards, that have issued Code section 403(b) contracts, as defined in Treas. Reg. § 1.403(b)-2(b)(16)(i), to Ministers and Employees employed by such Ministers, Churches or Employers.

By making Contributions to this Plan, Ministers, Churches and Employers that participate in the Plan allocate to the Pension Boards the responsibility for performing administrative functions, including functions to comply with the requirements of Code section 403(b) and other Code requirements. Such functions also include administration and compliance functions with respect to aggregated Code section 403(b) contracts issued to a Member or Minister under other Code section 403(b) plans that are or have been maintained by such Ministers, Churches and Employers. For purposes of carrying out such administrative and compliance functions, all insurance policies, custodial accounts or retirement income accounts, and the investment products related to such policies and accounts, under which such aggregated Code section 403(b) contracts are or have been issued, are hereby incorporated by reference as if fully set out

in this Plan. In addition, when necessary to do so pending investment of the value of such insurance policies, custodial accounts and retirement income accounts in Investment Funds established by the Pension Boards, the Pension Boards is authorized to hold such insurance policies, custodial accounts and retirement income accounts on behalf of Ministers, Churches, Employers and Members pending such investment in Investment Funds established by the Pension Boards. By making Contributions to this Plan, Ministers, Churches and Employers agree to execute any other documents deemed necessary by the Pension Boards to carry out its responsibilities as stated in this paragraph.

- 6.4 ACCOUNT CHARGED.** The Pension Boards will charge all distributions or Transfers made by a Member or to his or her Beneficiary, from the Member's Account, against such Account when made.
- 6.5 ALLOCATION OF NET INCOME, GAIN OR LOSS.** As necessary and as provided in Article V of this Plan, the Pension Boards will adjust Accounts to reflect net income, gain or loss, if any. The Pension Boards will continue to allocate net income, gain and loss to a Member's Account as provided in Article V of this Plan, subject to any distributions and in accordance with any rules or procedures established by the Board of Trustees or the Pension Boards, until the Member's Account is fully distributed.
- 6.6 CLAIMS PROCEDURE.** The Pension Boards will make all final determinations as to the right of any Member to benefits under the Plan where such right is the subject of a dispute, controversy or question. Any denial by the Pension Boards of a claim for benefits under the Plan made on behalf of a Member or Beneficiary will be stated in writing by the Pension Boards and will be delivered or mailed to such Member or Beneficiary. Such Notice will set forth the specific reasons for such denial, and will be written to the best of the Pension Boards' ability in a manner that can be understood by such Member or Beneficiary without the need for resort to legal or actuarial counsel. In addition, the Pension Boards will afford any Member or Beneficiary whose claim for benefits has been denied a reasonable opportunity to appeal for a review of the Pension Boards' denial of such claim. This appeal must be filed in writing with the Pension Boards within 60 days after the Pension Boards has determined that the claim for benefits should be denied. The determination of the Pension Boards on appeal (or, if not appealed, its initial determination) will be final and binding, unless such determination is found by a court of competent jurisdiction to have been arbitrary and capricious.
- 6.7 DELEGATION OF AUTHORITY.** The Pension Boards, a Church or an Employer may authorize any agent or agents to carry out its duties, and may employ such counsel, auditors, and other specialists and such clerical, actuarial and other services as it may require in carrying out the provisions of this Plan. The Pension Boards may rely on any certificate, Notice or direction, oral, written, or electronic, purporting to have been signed or communicated on behalf of a Church, an Employer, a Member or others which the Pension Boards believes to have been signed or communicated by persons authorized to act on behalf of the Church, Employer, Member or others, as applicable. The Pension Boards may request instructions in writing from the Church, Employer, Member or others, as applicable, on other matters, and may rely and act thereon. The Pension Boards may not be held responsible for any loss caused by its acting upon any Notice, direction or certification of the Church, Employer Member or others, which the Pension Boards reasonably believes to be genuine and communicated by an authorized person.
- 6.8 FACILITY OF PAYMENT.** When in the Pension Boards' opinion a person entitled to receive any payment of a benefit under the Plan is under a legal disability or is incapacitated in any way so as to be unable to manage such person's financial affairs, the Pension Boards may make payments directly to the person, to the person's legal representative, or to a relative or friend of the person to be used exclusively for such person's benefit, or apply any such payment for the benefit of the person in such manner as the Pension Boards deems advisable. The decision of the Pension Boards, in each case, will be final, binding, and conclusive upon all persons ever interested hereunder. The

Pension Boards will not be obligated to see to the proper application or expenditure of any payment so made. Any benefit payment (or installment thereof) made in accordance with the provisions of this Section 6.09 will completely discharge the obligation for making such payment under the Plan. The Pension Boards does not have any liability with respect to payments made, and the Pension Boards has no duty to make inquiry as to the competence of any person entitled to receive payments, under the Plan.

**6.9 FEES AND EXPENSES.** The Pension Boards is authorized to deduct from the Plan's reserves, funds, contributions, and/or earnings thereon, the expenses and fees necessary or appropriate to the administration of the Plan, including an allocable share of the Pension Boards' operating expenses, as determined by the Pension Boards and in accordance with rules and procedures established by the Pension Boards and the Board of Trustees.

**6.10 INDIVIDUAL ACCOUNTS AND RECORDS.** As provided in this Plan, the Pension Boards will maintain a separate Account or Accounts in the name of each Member to reflect the value of the Member's Account or Accounts under this Plan and to maintain records of its activities.

**6.11 LIMITATION ON LIABILITY.** The Pension Boards will not be liable to any person or entity for any of its acts carried out hereunder in good faith and based upon the information available at the time. Neither the Pension Boards nor the Church or Employer shall be liable for the failure of a Church or Employer to contribute to this Plan on behalf of its eligible employees. All benefits hereunder are contingent upon and payable solely from contributions received by the Pension Boards and investment results of the Pension Boards. No financial obligations other than those which can be met by the contributions actually received and the investment results shall be assumed by the Pension Boards. In addition, the Pension Boards' trustees, officers or employees will not be personally responsible or otherwise liable for the payment of any benefits hereunder.

The Church or Employer will not be liable to pay Plan benefits to a Member in excess of the value of the Member's Account as the Pension Boards determines in accordance with the Plan terms. Neither the Church or Employer nor the Pension Boards will be liable for losses arising from depreciation or shrinkage in the value of any investments acquired under this Plan.

**6.12 MANNER OF PAYMENT OF BENEFITS.** Except as provided in Sections 4.05 and 4.06 of this Plan, benefit payments hereunder will not be payable until the Member, Beneficiary or other applicable person requests commencement of payment on a form approved by the Pension Boards. Benefits which are payable in a single sum distribution will be paid as soon as administratively feasible in accordance with rules and procedures determined by the Pension Boards. Unless otherwise provided when the benefit payments are established, benefits which are not payable in a single sum distribution will be payable in monthly installments on the first day of each calendar month or such earlier date as may be established by the Pension Boards. Such benefits will cease to be paid after the benefit payment for the month in which occurs the date of death of the person then entitled to receive such benefits, or upon such other termination date provided for in the applicable benefit provisions of the Plan.

**6.13 MISSING PERSONS.** If the Pension Boards is unable to locate the whereabouts of a Member (or the Member's surviving Beneficiary), the Member's Contributions Accounts shall be treated in a manner determined consistent with Code section 403(b) and Section 4.01(A)(2) of this Plan.

**6.14 OWNERSHIP.** The Pension Boards has adopted the Trust attached to the Plan as "Appendix A" to hold the assets of this Plan. The Plan incorporates by reference the provisions of the Trust as if fully set forth herein.

**6.15 MEMBER DIRECTION OF INVESTMENT.** A Member will have the right to direct the investment or reinvestment of the assets comprising the Member's Account, as provided in Article V of this Plan.

**6.16 RECORD AND REPORTS.** The Pension Boards may release information, in accordance with rules established by the Pension Boards, about the Plan and a Member's participation in the Plan to the Member, the Member's Spouse, and their representatives in the event of death, Disability, divorce, or in other appropriate circumstances.

**6.17 VALUE OF MEMBER'S ACCOUNT.** The value of each Member's Account or Accounts consists of his or her Accumulations from time to time as determined by the Pension Boards in the manner provided in Article V of this Plan.

**6.18 RETIREMENT INCOME ACCOUNT STATUS.**

- (A) This Plan is intended to be, and shall be administered as, a program of retirement income accounts pursuant to Code section 403(b)(9) and Treas. Reg. § 1.403(b)-9.
- (B) This Plan shall maintain sufficient separate accounting for each retirement income account's interest in the underlying Plan assets so that it is possible at all times to determine the retirement income account's interest in the underlying Plan assets and to distinguish that interest from any interest that is not part of the retirement income account.
- (C) Investment performance of this Plan is based on the gains and losses on Plan assets.
- (D) The assets held in retirement income accounts under this Plan may not be used for, or diverted to, purposes other than for the exclusive benefit of Plan Members or their Beneficiaries. For this purpose, assets are treated as diverted to the Church or Employer if there is a loan or other extension of credit from the assets in the account to the Church or Employer. Any asset of a retirement income account that is owned or used by a Member or Beneficiary is treated as having been distributed to that Member or Beneficiary.
- (E) A retirement income account that is treated as an annuity contract is not a custodial account, as defined in Treas. Reg. § 1.403(b)-8(d)(2), even if it is invested solely in stock of a regulated investment company.

**ARTICLE VII  
MEMBER ADMINISTRATIVE PROVISIONS**

**7.1 ADDRESS FOR NOTIFICATION.** Each Member and each Beneficiary of a deceased Member must file with the Pension Boards from time to time his or her address and any change of address. Any communication, statement or Notice addressed to a Member or Beneficiary at his or her last address filed with the Pension Boards, or as shown on the records of the Church or Employer, binds the Member or Beneficiary for all purposes of this Plan.

**7.2 BENEFICIARY DESIGNATION.**

- (A) Subject to the spousal consent requirements of subsection (D) of this Section 7.02, a Member may designate, in writing, any person or persons (including a trust or other entity), contingently or successively, to whom the Pension Boards will pay the Member's Account in the event of the Member's death. Designation of a Beneficiary shall be made in writing on a form supplied by and filed with the Pension Boards. The designation shall specify the Beneficiary by name and relationship. Designation by relationship only shall not be valid. Upon the Member's executing and filing the form with the Pension Boards, the form will revoke all designations filed prior to that date by the same Member. Marriage revokes a previous Beneficiary designation. In addition, a divorce decree invalidates the Member's designation, if any, of his or her former Spouse as his or her Beneficiary under the Plan.

- (B) Upon the Member's death, a Beneficiary may designate a Beneficiary for the Member's remaining Account balance. Consent of a Spouse will not be required for a surviving Beneficiary or an alternate payee to designate a Beneficiary other than his or her Spouse.

The Pension Boards will determine to whom payment will be made pursuant to this Section 7.2 or Section 7.03 of this Plan.

- (C) A Member or Provisional Member may designate a Beneficiary or Beneficiaries or change such designated Beneficiary or Beneficiaries at any time prior to the commencement of Annuity benefits. In addition, a Member who has elected an Annuity under Section 4.04(C)(4)(b), (d) or (f) of this Plan may, at any time, designate or change a Beneficiary or Beneficiaries to receive any balance of the one hundred twenty (120) months payments provided as a death benefit under those optional forms. Further, the surviving joint-life Annuitant of a Member who has elected an Annuity under Joint-Life and Survivor under Section 4.04(C)(4)(d) or (f) of this Plan may change the 120-Payment Beneficiary or Beneficiaries to receive the death benefit.
- (D) A Member or Provisional Member who is married (and not legally separated) shall automatically be deemed to have designated his or her Spouse as the Beneficiary. Upon the death of a Member or Provisional Member who is married (and not legally separated), the Surviving Spouse shall be deemed to be the designated Beneficiary unless, prior to the Member's or Provisional Member's death, the Member or Provisional Member designated a non-spousal Beneficiary and the Member's or Provisional Member's Surviving Spouse provided written consent to such designation (which consent must be on a form prescribed by the Pension Boards and filed with the Pension Boards prior to the Member's or Provisional Member's death). Such written consent of the Surviving Spouse must be witnessed by a notary public or a representative of the Pension Board. Any consent of a Member's Spouse made with respect to a particular action under the Plan that requires the notarized consent of a Spouse is irrevocable. Additionally, the consent of the Member's Spouse will not be required if the Member provides the Pension Boards with a decree of legal separation or with evidence satisfactory to the Pension Boards that consent cannot be obtained because the Spouse cannot be located.
- (E) Nothing in this Plan shall prevent the Member from filing a Beneficiary designation required to be filed by an Order or Decree of a Court of Competent Jurisdiction.
- (F) If the Member dies before commencement of Annuity benefits, any Beneficiary who becomes entitled to a death benefit from all or part of a Member's Accumulations may, with respect to such benefit, designate or change a Beneficiary or Beneficiaries at any time prior to the commencement of Annuity benefits. In addition, any such Beneficiary who has elected an Annuity under Section 4.04(C)(4)(b), (d) or (f) of this Plan may, at any time, designate or change a Beneficiary or Beneficiaries to receive the death benefit provided for under such optional form of payment.
- (G) If the Member who has elected to receive an Annuity benefit under Joint-Life and Survivor options with 120 payments guaranteed under Section 4.04(C)(4)(d) or (f) of this Plan dies after commencement of Annuity benefits and is survived by the joint-life Annuitant, such surviving Annuitant may designate or change the 120-Payment Beneficiary or Beneficiaries previously designated to receive any death benefit provided for under Section 4.04(C)(4)(d) or (f) of this Plan.
- (H) A Beneficiary receiving the death benefit provided under Section 4.04(C)(4)(b), (d) or (f) of this Plan may designate or change a Beneficiary to receive any benefit payable under such annuity after the death of such Beneficiary.

(I) Except as provided in this Section 7.02, a Beneficiary or Beneficiaries may not be designated or changed with respect to any Annuity benefit after the commencement of that Annuity benefit.

(J) In the absence of a named Beneficiary, the Beneficiary

- (1) Of a Member having a Spouse who is not legally separated shall be the Spouse of the Member at the time of the Member's death,
- (2) Of a Beneficiary of a deceased Member or of a Member not having a Spouse or having a Spouse that is legally separated shall be the estate of the person having the right to designate the Beneficiary, unless the amount is less than ten thousand dollars (\$10,000), in which event the benefit shall be paid as provided in Section 4.06 of this Plan for such amounts.

Except as provided in this Section 7.02, if a Member who at the time of the Member's death is legally married and not legally separated has named an institution, estate or trust as a Beneficiary of any portion of the Member's account, such Member's Surviving Spouse shall be deemed the Beneficiary of the portion of the account that was designated for such institution, estate or trust. Subject to the spousal consent requirement set forth in this Section 7.02, any administrative requirements that may be imposed by the Pension Boards in a uniform, nondiscriminatory manner, and any requirements in Treasury Regulations issued under Section 401(a)(9) of the Code and by Section 4.05 of this Plan, a Member may name a trust as a Beneficiary under the Member's account provided that (i) the only Beneficiaries of such trust are natural persons and (ii) the only Beneficiaries of such trust during the life of the Surviving Spouse are such Spouse and persons who are dependents of the Member. In such event, the only elections and Beneficiary designations that may be made with respect to the account shall be those that could be made if the designated Beneficiary were the Surviving Spouse.

(K) The Beneficiary may enter upon and enjoy such rights and benefits in the Plan as have not been terminated by the Member's death, but during the lifetime of the Member no Beneficiary or other person shall have any claim with respect to the Member's right in the Plan.

**7.3 NO BENEFICIARY DESIGNATION.** If a Member fails to name a Beneficiary in accordance with Section 7.02, or if the Beneficiary named by a Member predeceases the Member, then the Pension Boards will pay the Member's remaining Account in accordance with Article IV of this Plan in the following order of priority, to:

- (A) The Member's surviving Spouse (if not legally separated); or
- (B) The Member's estate.

If the Beneficiary survives the Member, but dies prior to distribution of the Member's entire Account, the Pension Boards will pay the remaining balance in the Member's Account to the Beneficiary's estate.

**7.4 PERSONAL DATA TO THE PENSION BOARDS.** Each Member and each Beneficiary of a deceased Member must furnish to the Pension Boards such evidence, data or information as the Pension Boards considers necessary or desirable for the purpose of administering the Plan. The provisions of this Plan are effective for the benefit of each Member upon the condition precedent that each Member will furnish promptly full, true and complete evidence, data and information when requested by the Pension Boards, provided the Pension Boards advises each Member of the effect of his or her failure to comply with its request.

## **7.5 SALARY REDUCTION AGREEMENT.**

- (A) General. A Member may elect to make Pre-Tax Contributions and/or Designated Roth Contributions on a Salary Reduction Agreement form provided by the Pension Boards.
- (B) Election timing. A Member's Salary Reduction Agreement may not take effect earlier than the first day the Member executes the Salary Reduction Agreement and will apply only with respect to compensation paid or made available after the effective date of the Salary Reduction Agreement.
  - (1) Requirement that amounts not be currently available. A deferred election pursuant to a Salary Reduction Agreement can only be made with respect to an amount that is not currently available to the Employee on the date of the election.
  - (2) Contribution may not precede election. Contributions are made pursuant to a Salary Reduction Agreement deferred election only if the Contributions are made after the election is made.
  - (3) Contributions may not precede services.
    - (a) General rule. Contributions are made pursuant to a Salary Reduction Agreement deferred election only if the Contributions are made after the Employee's performance of service with respect to which the Contributions are made (or when the cash or other taxable benefit would be currently available, if earlier).
    - (b) Exception for bona fide administrative considerations. The timing of Contributions will not be treated as failing to satisfy the requirements for Salary Reduction Agreement elective deferrals merely because Contributions for a pay period are occasionally made before the services with respect to that pay period are performed, provided the Contributions are made early in order to accommodate bona fide administrative considerations (for example, the temporary absence of the bookkeeper with responsibility to transmit Contributions to the plan).
- (1) Current availability defined. Cash or another taxable benefit is currently available to the Employee if it has been paid to the Employee or if the Employee is able currently to receive the cash or other taxable benefit at the Employee's discretion. An amount is not currently available to an Employee if there is a significant limitation or restriction on the Employee's right to receive the amount currently. Similarly, an amount is not currently available as of a date if the Employee may under no circumstances receive the amount before a particular time in the future. The determination of whether an amount is currently available to an Employee does not depend on whether it has been constructively received by the Employee for purposes of Code section 451.
- (B) Modification of Salary Reduction Agreement. A Member's Salary Reduction Agreement remains in effect until a Member modifies it or ceases to be eligible to participate in the Plan. A Member may modify his or her Salary Reduction Agreement by executing a new Salary Reduction Agreement.



## **ARTICLE VIII MISCELLANEOUS**

### **8.1 ADOPTION OF PLAN.**

- (A) Adoption by Employer. Any Employer which desires to become a party to the Plan by adopting the Plan for the benefit of eligible persons employed by the Employer does so by signing documents and remitting Contributions, as required by the Pension Boards. If Contributions are made to the Plan by or for a person employed by an Employer, the Employer will be deemed to have adopted the Plan with respect to such Contributions (and any earnings or losses thereon), and, if requested, the Employer will further evidence such adoption in the manner determined by the Pension Boards from time to time.
- (B) Adoption by Church. If Contributions are made to the Plan by or for a person in paid ministerial or nonministerial Service with a Church, the Church will be deemed to have adopted the Plan with respect to such Contributions (and any earnings or losses thereon), and, if requested, the Church will further evidence such adoption in the manner determined by the Pension Boards from time to time.

### **8.2 APPOINTMENT OF INVESTMENT MANAGER.** Notwithstanding anything contained herein to the contrary, the Pension Boards may segregate any portion or portions of the assets held by the Pension Boards under the Plan into a separate investment account or investment accounts for bookkeeping purposes. The Pension Boards may appoint an investment manager or managers to direct the investment and reinvestment of any such investment accounts.

### **8.3 EMPLOYMENT NOT GUARANTEED.** Nothing contained in this Plan, or any modification or amendment to the Plan, or in the creation of any Account, or the payment of any benefit, gives any Employee, Member or Beneficiary any right to continue employment, any legal or equitable right against the Church, the Employer, the Pension Boards, any other employee of the Church, or any agents thereof except as expressly provided by the Plan.

### **8.4 ERRONEOUS PAYMENTS.** If the Pension Boards makes any payments that, according to the terms of the Plan and the benefits provided hereunder, should not have been made, the Pension Boards may recover that incorrect payment from the person to whom it was made or from any other appropriate party, by whatever means necessary, whether or not it was made due to the error of the Pension Boards.

### **8.5 NO ASSIGNMENT OR ALIENATION.** Except as provided in Section 4.09 of this Plan, neither a Member nor a Beneficiary shall have the right to sell, assign, pledge, transfer or otherwise convey or encumber the Member's or Beneficiary's rights or benefits under the Plan or Trust and the Pension Boards will not recognize any such attempted anticipation, assignment, or alienation. Furthermore, a Member's or Beneficiary's interest in the Trust is not subject to attachment, garnishment, levy, execution or other legal or equitable process, except as otherwise permitted by law. Disclaimers of a Member's or Beneficiary's rights or benefits under the Plan or Trust are permitted under this Plan, but such disclaimers must be in accordance with the policies and procedures established by the Pension Boards.

### **8.6 NOTICE, DESIGNATION, ELECTION, CONSENT AND WAIVER.** All Notices under the Plan and all Member or Beneficiary designations, elections, consents or waivers must be in writing and made in a form the Pension Boards specifies or otherwise approves. To the extent permitted by applicable law or Treasury regulations, any Plan Notice, election, consent or waiver may be

transmitted electronically. Any person entitled to Notice under the Plan may waive the Notice or shorten the notice period except as otherwise required by the Code.

## **8.7 STATE LAW AND VENUE.**

- (A) The Plan and each of its provisions shall be construed and their validity determined by the laws of the State of New York as the situs of the Trust and this Plan.
- (B) Any claim or action which shall be brought against the Pension Boards with respect to any dispute arising under or in connection with this Plan shall be brought and resolved in a court of competent jurisdiction in New York City, New York.

## **8.8 UNIFORM SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT OF 1994, AS AMENDED (USERRA) AND HEART ACT OF 2008 PROVISIONS.**

- (A) USERRA. Notwithstanding any provision of this Plan to the contrary, contributions, benefits and Service credit with respect to qualified military service will be provided in accordance with Code section 414(u).
- (B) Heroes Earnings Assistance and Relief Tax ("HEART") Act of 2008 Provisions.
  - (1) In the case of a Member who dies while performing qualified military service (as defined in Code section 414(u)) on or after January 1, 2007, the survivors of the Member are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the plan had the Member resumed and then terminated employment on account of death.
  - (2) With respect to Plan Years beginning after December 31, 2008:
    - (a) For purposes of this Section 8.09, the term "Differential Wage Payment" means any payment which:
      - (i) Is made by a Church or Employer to a Member with respect to any period during which the Member is performing services in the uniformed services described in Code section 3401(h)(2)(A) while on active duty for a period of more than 30 days; and
      - (ii) Represents all or a portion of the wages that the individual would have received from the Church or Employer if the Member were performing services for the Church or Employer.
    - (b) For all purposes under this Plan,
      - (i) A Member who is receiving a Differential Wage Payment is treated as an Employee of the Church or Employer making the payment, and
      - (ii) The Differential Wage Payment is considered to be and shall be treated as Compensation.
    - (c) A Member is treated as having experienced a Severance from Employment or Severance Date during any period the Member is performing services in the uniformed services described in Code section 3401(h)(2)(A) while on active duty for a period of more than 30 days for purposes of the limitation on in-service distributions with respect to amounts attributable to a Salary Reduction Agreement under this Plan, a Code section 403(b) tax-sheltered annuity or a

custodial account described in Code section 403(b)(7). Such Members are not prohibited from receiving distributions on account of not severing employment. If a distribution is made to a Member pursuant to the foregoing provisions of this Section 8.09(B)(2)(c), such Member is not permitted to make Elective Deferrals, including After-Tax Contributions, to this Plan during the six-month period beginning on the date of the distribution. For purposes of applying this Section 8.09(B)(2)(c), the provisions of Code section 410(b)(3), (4) and (5) apply.

**8.9 WORD USAGE.** Words used in the masculine will apply to the feminine where applicable, and wherever the context of the Plan dictates, the plural will be read as the singular and the singular as the plural.

**8.10 DISASTER RELIEF.** Notwithstanding any provision of this Plan to the contrary, contributions, distributions, and loans may, at the Pension Boards' discretion, be provided in accordance with applicable relief related to disasters for which the IRS provides such disaster relief. The Pension Boards will require the Employer to furnish whatever evidence the Pension Boards deems necessary to enable the Pension Boards to confirm that the Employer has requested such benefit be provided under this Section 8.10.

## **ARTICLE IX AMENDMENT, FREEZING, TERMINATION**

**9.1 AMENDMENT OF PLAN DOCUMENT.** The Board of Trustees may amend the Plan from time to time to comply with applicable law or for such other reasons as the Board of Trustees or its designee deems necessary or appropriate. No amendment at any time will decrease a Member's Accumulated Benefit.

**9.2 FREEZING OF PLAN.** The Board of Trustees may, at any time, cease (freeze) further Contributions to the Plan. Upon freezing of the Plan, the provisions of the Plan (other than provisions permitting continued Contributions) remain operative until distribution of all Member Accounts.

**9.3 PLAN CONTINUATION BY SUCCESSOR.** In the event of the dissolution, merger, consolidation or reorganization of the United Church of Christ, provision may be made for a continuation of the Plan by any successor with the consent of the Pension Boards, provided such successor is eligible to maintain a Church Plan. In such event, the successor shall assume the Plan liabilities of the predecessor and have all the powers, duties and responsibilities of the predecessor hereunder.

**9.4 PLAN MERGER OR CONSOLIDATION.** In the event of a merger or consolidation with, or transfer of assets or liabilities to any other plan, each Member will receive a benefit immediately after such merger, etc. (if the Plan then terminated) which is at least equal to the benefit the Member was entitled to immediately before such merger, etc. (if the Plan had terminated).

**9.5 TERMINATION OF PLAN.**

(A) The Pension Boards and a Church or Employer may agree, at any time, to terminate the Plan with respect to the Church or Employer. In the event of such termination of the Plan, the amounts maintained in accounts of affected Members shall, unless the Pension Boards exercises its right pursuant to Section 9.05(B), below, remain to be used by the Pension Boards to pay benefits to or on behalf of the affected Members in accordance with applicable provisions of the Plan or any Prior or Predecessor Plan.

(B) In the event the Plan is terminated under this Section 9.05, the Pension Boards shall, notwithstanding anything in this Plan to the contrary, have the right, in its sole discretion, to make a single sum payment to each affected Member or Beneficiary with benefit rights under

the Plan in lieu of making the benefit payments otherwise provided for herein, thereby fully discharging the Plan, the Pension Boards and the Board of Trustees of all liability with respect thereto.

- (C) Any termination of the Plan, any elimination of future contributions to the Plan for existing Members, or any limitation of participation in the Plan to existing Members shall be done only in accordance with the provisions of Treas. Reg. § 1.403(b)-10(a).

\*\*\*\*\*END OF PLAN DOCUMENT\*\*\*\*\*