

THE PENSION BOARDS-UNITED CHURCH OF CHRIST, INC.

EMPLOYER ADOPTION AGREEMENT

This Employer Adoption Agreement ("Agreement"), effective _____ ("Effective Date")

by and between _____ ("Employer Name"), Employer ID # _____ and The Pension Boards-United Church of Christ ("PBUCC") provides for the Employer's participation in certain employer group retirement, health, and welfare plans, and programs of the United Church of Christ sponsored and administered by PBUCC (collectively referred to herein as the "PBUCC Plans"). This agreement is effective on the effective date and documents the roles and responsibilities of the parties relating to Employer's participation in the PBUCC Plans and the enrollment of its employees in the Plans.

1 PBUCC Responsibilities.

- 1.1 PBUCC sponsors the PBUCC Plans for the benefit of the Employees and Eligible Dependents of the United Church of Christ churches and organizations controlled by or associated with the United Church of Christ. The PBUCC Plans are church plans as described in section 414(e) of the Internal Revenue Code (the "Code") and are exempt from Title I of the Employee Retirement Income Security Act ("ERISA").
- 1.2 PBUCC shall provide the benefits coverage elected by the Employer in accordance with the terms of the PBUCC Plans and consistent with applicable federal and state law to enrolled Employees and their Beneficiaries.

2 Employer Responsibilities.

- 2.1 PBUCC Plan Adoption. By executing this Agreement, the Employer is certifying that it is a 501(c)(3) organization that is controlled by or associated with the United Church of Christ and is adopting the PBUCC Plans to offer coverage under the benefit plans and programs listed on Schedule 2.1 to its eligible Employees during the annual open enrollment period for the Plan Year with the stated employee contribution levels, and agrees to be subject to the terms, provisions, and conditions of the plans, as may be amended from time to time, and as may be supplemented by this agreement. Upon PBUCC's request, the Employer shall provide a copy of resolutions and any other governance documentation confirming that the Employer is an organization controlled by or associated with the United Church of Christ and authorizing the adoption of the PBUCC Plans and programs listed on Schedule 2.1 for its Employees.
- 2.2 Compliance Requirements. By enrolling your Employees for coverage under the PBUCC Plans and submitting this Agreement, as an authorized representative of the Employer, you are agreeing that the Employer will be responsible to:
 - abide by the Employer requirements of the PBUCC Plans, including without limitation the Employee eligibility and enrollment provisions,

- define and administer benefit groups fairly and consistently and in compliance with all applicable federal, state, and local Employment, Employee benefits, and tax laws and regulations,
- if applicable,
 - to collect and retain employee salary deferral agreements for elective deferrals,
 - to administer a Flexible Spending (e.g. Cafeteria 125) Plan to provide for pre-tax salary deferral elections for medical plan contributions, and to promptly remit any Employee payroll withholdings for elective deferrals to PBUCC and any medical plan contributions for Medical Plan coverage to PBUCC,
 - to remit the entire amount due for the coverage to PBUCC in a timely manner (collecting member contributions is solely the employer's responsibility); if dues are in arrears, PBUCC reserves the right to terminate coverage or suspend benefits for individuals enrolled for coverage under the PBUCC Plans.

2.3 Employee Benefits Options and Contributions. The Employer elects to offer the groups of eligible Employees the benefits coverage listed on Schedule 2.1 with employee contribution requirements described in each section. If the Employer elects to offer the Annuity Plan, there are additional terms specific to that Plan that are set forth in Exhibit A, included in this document.

2.4 Required Reporting of Eligibility and Enrollment Changes. The Employer agrees to report any changes in service or Employee and Beneficiary qualifying life events within 30 days of an Employee's termination of employment, retirement, death, or disability or other qualifying life event. PBUCC may request verification or other Employee eligibility information from you at any time and for any reason to properly administer the Plan. The Employer agrees to respond promptly to any information requests from PBUCC.

2.5 Payment of Dues. The Employer agrees to remit promptly any dues owed for benefits coverage elected under this Agreement and understands that the final invoiced dues costs will be based on the cost of the coverage, and the Employees' coverage elections for PBUCC Plans. The Employer is responsible for remitting the total dues amount to PBUCC.

3 Amendments.

3.1 The PBUCC Plans terms may only be amended by PBUCC.

3.2 The Employer may, on an annual basis, at a time prescribed by PBUCC, change the benefits options available to its Employees for the next Plan Year under this Agreement, including provisions related to future employee contribution requirements. Mid-year changes may be permitted under certain circumstances, including, but not limited to, the inclusion of a new class of employees. Any such change must be reported to PBUCC in advance of the effective date by submitting a revised Employer Adoption Agreement to PBUCC.

EMPLOYER ADOPTION AUTHORIZATION

By signing below, the employer by its duly authorized officer or other representative hereby adopts the PBUCC Plans designated on Schedule 2.1 and agrees to the provisions, rules, and procedures with respect to eligibility and contributions as indicated above. The Employer, by its duly authorized officer or representative, has executed this document on this the _____ day of _____, 20_____.

Name of Employer: _____

Employer I.D. (enter PBUCC 5-digit I.D number) _____

Address: _____

Phone Number: _____ Email Address: _____

Authorized officer or representative signature: _____

Printed name of authorized officer or representative: _____

Title of authorized officer or representative: _____

An executed copy of this document should be completed and retained by the Employer along with any similar documents previously completed and executed. In addition, the Employer should send an executed copy of this document to: The Pension Boards-United Church of Christ, Inc., Attn: Documentation, 475 Riverside Drive, Room 1020, New York, NY 10115.

SCHEDULE 2.1: EMPLOYER PLAN ELECTION AND PARTICIPATION, EMPLOYEE ELIGIBILITY, AND CONTRIBUTION REQUIREMENTS

Employers use schedule 2.1 to elect plan participation for the employees of their organization and establish employee eligibility and contribution requirements for participation in those plans.

By default, PBUCC benefit plans provide that all Employees of the Employer shall be eligible if they are regularly scheduled to work for an eligible Employer. An Employer may impose additional eligibility conditions but must report any additional requirements to PBUCC on Schedule 2.1 in advance of their effective date.

Please Note: If the Employer intends to impose additional eligibility requirements for their Employee but does not complete schedule 2.1, plan eligibility for Employees will default to the eligibility standard provided under the rules of the PBUCC benefit plans.

If Employees are eligible for PBUCC benefit plans, there are additional terms specific to the Annuity Plan that are set forth in Exhibit A included in this document. There are additional terms specific to other plans set forth in the Plan Highlight Booklets available at www.pbucc.org.

UCC MEDICAL BENEFITS AND WELFARE* PLANS

Please check the benefits that you offer to your employees below:

- ☐ UCC Medical Benefits Plan
- ☐ Flexible Spending Accounts
- ☐ UCC Dental Plan
- ☐ UCC Vision Plan
- ☐ UCC Life Insurance and Disability Income Benefit Plan
- ☐ Long-Term Care (though ACSIA Partners)

*Medical Plan Benefits include Medical, Dental, and Vision benefits. Welfare Plan benefits include Flexible Spending Account, Life and Disability and Long-Term Care benefits.

EMPLOYEE ELIGIBILITY AND CONTRIBUTION LEVELS

A. Eligibility: Indicate the Employer's eligibility rules for participation in the Medical and Welfare Plans for full-time and part-time Employees:

(Note: If no entry is completed, all Employees of the Employer shall be eligible to participate on the first day of the month following their date of hire.)

B. Contribution: Does the Employer require Employees to help cover the cost of the Medical Plan?

Yes ☐ No ☐ If yes, what is the requirement?

(Note: If no entry is completed, the employer will pay for 100% of this benefit)

ANNUITY PLAN

Please check the benefits that you offer to your Employees below:

- ☐ Employer Contributions
- ☐ Employee Pre-tax Contributions
- ☐ Employee After-tax Contributions

Important Compliance Note: Code Section 410(a)(1) contains minimum age and service requirements, which generally provide that a plan cannot require, as a condition of participation, that an Employee complete a period of service with the Employer extending beyond the later of: (1) the date on which the Employee attains age 21, or (2) the date on which the Employee completes one year of service. If the plan provides for 100% immediate vesting, then two years of service, rather than just one year of service, are permitted. Also, educational institutions with 100% immediate vesting may increase the minimum age from 21 to 26.

EMPLOYER CONTRIBUTIONS:

A. Eligibility: Check the Employees who will be eligible to receive Employer-provided contributions to the Plan:

- ☐ UCC Clergy Only
- ☐ All Employees are eligible
- ☐ Other (Specify):

(Note: If no option is selected, all Employees will be eligible to receive Employer Contributions.)

B. Service and/or Age Requirement: Does your organization impose a service and/or age requirement to receive Employer-provided contributions to the Plan?

- ☐ Yes ☐ No

*If the answer is **no**, skip to Contributions below.*

*If the answer is **yes**, your organization does impose a service and/or age requirement; check all that apply:*

- ☐ Service and/or age requirement applies to (specify):

- ☐ Must be age _____ or older

C. Contributions: If your organization provides Employer contributions, check the appropriate space(s) and enter the appropriate percentage(s) or amount(s):

- ☐ A fixed percentage equal to _____% of compensation
- ☐ A fixed dollar amount of \$ _____ per _____ (year, month, pay period, etc.)
- ☐ Other _____

Specify (e.g., a matching contribution formula such as 1% of compensations for each 1% of Tax-sheltered contributions up to 6% of contributions):

Continued...

D. Vesting Schedule: Does your Employer contributions follow a vesting schedule?

☐ A percentage of compensation based on the following years of service schedule:

Completed Years of Service	Percentage of Compensation
Fewer than _____ Year(s)	_____ %
_____ Year(s)	_____ %
_____ Year(s)	_____ %
_____ Year(s)	_____ %
_____ Year(s)	_____ %

☐ Other (Insert any other method of Employer provided contributions here.)

(Note: If no option is selected, no employer contributions will be made to the Annuity Plan.)

EMPLOYEE CONTRIBUTIONS (FROM THEIR OWN PAY)

Collection and remittance of the Employee's contribution amounts is the sole responsibility of the Employer.

A. Eligibility: Check the Employees who will be eligible to make Pre-tax and/or After-tax contributions:

☐ UCC Clergy Only

☐ All Employees are eligible

☐ Only Employees who meet the following service and/or age requirements below are eligible:

☐ Expected to and/or regularly work _____ hours or more per _____ (week, month, year)

☐ Other (write in other service and/or age requirements here):

(Note: If no option is selected, no Employees will be able to make pre-tax and/or after-tax contributions.)

Important Compliance Note: Code Section 100(a)(4) contains rules for plan entry dates (dates when an eligible Employee must begin participation) which generally provide that an employee who is otherwise eligible to participate under the terms of the plan must commence participation no later than the earlier of: (1) the first day of the first plan year beginning after the date on which the employee satisfied the Code section 410(a)(1) minimum age and service requirements, or (2) the date six months after the date on which the Employee satisfied the minimum age and service requirements.

Continued...

B. Check when an eligible Employee can begin participation in the Plan:

- ☐ The first day the Employee meets the eligibility requirements set forth above in the Annuity Plan.
- ☐ Other date and/or age requirement: _____

(Note: If no option is selected, Employees will be able to begin participation on the first day that they meet the Plan's eligibility requirement.)

Important Compliance Note: Code Section 100(a)(4) contains rules for plan entry dates (dates when an eligible Employee must begin participation) which generally provide that an employee who is otherwise eligible to participate under the terms of the plan must commence participation no later than the earlier of: (1) the first day of the first plan year beginning after the date on which the employee satisfied the Code section 410(a)(1) minimum age and service requirements, or (2) the date six months after the date on which the Employee satisfied the minimum age and service requirements.

End of form.

EXHIBIT A

ADDITIONAL TERMS SPECIFIC TO THE ANNUITY PLAN FOR THE UNITED CHURCH OF CHRIST

This Exhibit sets forth further terms and conditions of the Employer Agreement relating to the Employer's participation in the Annuity Plan for the United Church of Christ ("Annuity Plan").

Eligibility

The Annuity Plan provides that all Employees of the Employer shall be eligible to make salary deferral contributions to the Plan if they are regularly scheduled to work for an eligible Employer. An Employer may impose additional eligibility conditions but must report any additional requirements to PBUCC on Schedule 2.1 in advance of their effective date.

Employer Contributions

The Annuity Plan provides that Employers may, in their discretion, make Employer contributions to the Annuity Plan on behalf of eligible Employees. If employer contributions are made on a matching basis or by arrangement not described in the Employer Agreement, the Employer must describe those provisions on Schedule 2.1 and, upon request, submit the resolution, employee handbook section or description of the employer contributions for each benefit group to PBUCC.

Contribution Limits

The Employer understands and agrees that it is the Employer's responsibility to

- Inform its Employees of the annual contribution limits and to maintain completed Salary Deferral Agreements.
- Monitor the calendar year contribution limits for salary deferral contributions (pre-tax and Roth after-tax), age-based catch-up contributions (pre-tax and Roth after-tax), and service-based catch-up contributions (pre-tax and Roth after-tax) as detailed in the IRS Publication 571 Tax Sheltered Annuity Plans (403(b) Plans) for the applicable tax year, available at [irs.gov/pub/irs-pdf/p571.pdf](https://www.irs.gov/pub/irs-pdf/p571.pdf).

Employer Transfer of Former Plan Assets into Annuity Plan

PBUCC will not permit an Employer's transfer to or merger of the plan assets of a current or former retirement plan with the Annuity Plan if the Employer has made an irrevocable election to be subject to ERISA under Code Section 401(d) for such current or former retirement plan.

Remittance of Annuity Plan Contributions

Employer agrees to remit Annuity Plan contributions withheld from its Employee's payroll wages to PBUCC as soon as practicable but in no event later than fifteen (15) business days following the month in which contributions are withheld from an Employee's salary. If the Employer is delinquent in remitting contributions, it will be the sole responsibility of the Employer to remit the delinquent contributions and any lost earnings on those contributions to PBUCC. The Employer understands that it must remit contributions within the required time periods prescribed by law, even if no invoice or reminder notice is provided to the Employer by PBUCC.

Other Employer Legal Compliance Responsibilities

If the Employer is a Non-Qualified Church Controlled Organization (Non-QCCO), it is responsible for compliance with the universal availability notice and the non-discrimination testing requirements applicable to such Employers.

Churches and Qualified Church Controlled Organizations (QCCOs) are exempt from these legal compliance requirements.

Universal availability means if the Employer permits one Employee to defer salary into a 403(b) plan, the Employer must extend this offer to all Employees, other than those whom the law allows to be excluded.

Universal availability also requires the Plan to give meaningful notice to Employees of their right to make elective deferrals. The notice must notify the Employees of:

- their right to make elective deferrals;
- when to make an election; and
- when and how often during the year they can change that election.

A 403(b) plan generally may not place conditions on an Employee's right to make elective deferrals.

Non-discrimination testing is required if a Non-QCCO Employer makes employer non-elective or matching contributions. The Employer's contributions must satisfy the following non-discrimination requirements in the same manner as a qualified plan under the following Code sections.

Code Section 401(a)(4):	relating to non-discrimination in contributions and benefits
Code Section 410(b):	relating to minimum coverage
Code Section 401(a)(17):	limiting the amount of compensation that can be taken into account; and
Code Section 401(m):	relating to matching and after-tax employee contributions