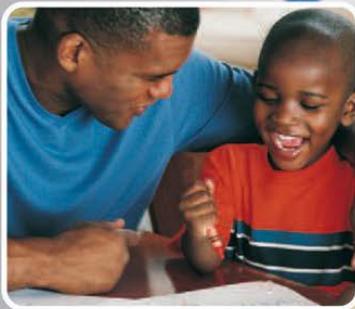


Clergy Retirement Security Program

Summary Plan Description

Individual Retirement Accounts



GENERAL BOARD OF PENSION AND HEALTH BENEFITS
OF THE UNITED METHODIST CHURCH

Caring For Those Who Serve



For additional information regarding CRSP or the other plans administered by the General Board, investments or financial planning, please visit the General Board's website: www.gbophb.org.

You have 24-hour access to your current account information online through Benefits Access (www.benefitsaccess.org) or via telephone with the General Board's Interactive Voice Response (IVR) system.

You can also call and speak with a customer service representative at 1-800-851-2201 Monday through Friday, from 8:00 a.m. to 6:00 p.m., Central time.

Table of Contents

Clergy Retirement Security Program	2
IMPORTANT INFORMATION	2
INTRODUCTION	3
PARTICIPATION IN THE PLAN	4
<i>Who Is Eligible to Participate?</i>	4
<i>How and When You Enroll</i>	4
DEFINED BENEFIT COMPONENT	4
<i>How Service Counts</i>	5
<i>When Your Defined Benefit Is Paid</i>	6
Termination	6
Death.....	7
<i>How Your Defined Benefit Is Paid—Forms of Benefit</i>	7
Normal Form	7
Optional Forms	7
Small Benefit	8
DEFINED CONTRIBUTION COMPONENT	8
<i>Contributions to Your Account</i>	8
Contribution Limitation and Excess Contributions	8
Late Contributions	9
How to Keep Track of Your Accounts.....	9
IVR System	9
<i>Beneficiary Designation</i>	9
Plan Designation	9
Participant Designation	9
Married Participants	10
Designation Procedures	10
<i>Investment of Your Accounts</i>	11
LifeStage Investment Management Service	12
Making Your CRSP Investment Elections	12
Benefits Access	13
Investment Election Form	13
<i>Access to Your Defined Contribution Account</i>	13
Termination of Conference Relationship and Retirement	13
Disability	14
Defined Contribution Distributions Upon Death	14
Death After You Begin Receiving Benefits.....	15
Required Minimum Distributions	15
<i>How Your Defined Contribution Benefit Account Is Paid</i>	15
Forms of Payment	15
Rollover Out	16
The Distribution Election Process	16
The Election Period.....	16
Ministerial Pension Plan	17
MPP CONTRIBUTIONS	17
<i>Contribution Base</i>	17
<i>Contribution Rate</i>	17
MPP ACCOUNT INVESTMENTS	17
MPP BENEFICIARY	18
ACCESS TO YOUR MPP ACCOUNT	18
<i>Retirement</i>	19
<i>Termination</i>	19
<i>Small Accounts</i>	19

<i>Disability</i>	19
<i>Required Beginning Date</i>	19
<i>Death</i>	20
<i>Forms of Benefit</i>	20
Election Period	21
Contingent Annuitant	21
Rollovers.....	21
Pre-82 Plan	22
Other Information	23
CLAIMS AND APPEALS	23
<i>Submitting a Claim for an Account Distribution</i>	23
<i>Denial of the Application or Claim</i>	23
Intermediate Appeal	23
Final Appeal.....	24
Your Responsibilities	24
<i>Taxation Considerations</i>	24
Taxes While Your Account Is in CRSP.....	25
Taxes When Your Account Is Paid.....	25
10% Federal Excise Tax	25
<i>Other Information</i>	26
Assignment of Benefits and Qualified Domestic Relations Orders (QDROs)	26
Non-Alienation of Benefits	26
How Unclaimed, Relinquished or Disclaimed Benefits Can Be Delayed or Forfeited	27
Ineligible Contributions.....	28
Bankruptcy and Your CRSP Benefits.....	28
If CRSP Is Terminated or Modified	28
Plan Administrator.....	28
CRSP Name, Plan Type and Plan Year.....	28
Special Securities Laws	28
Agent for Service of Legal Process.....	29
CRSP Trustee	29
Glossary	29

Clergy Retirement Security Program

IMPORTANT INFORMATION

This booklet is a Summary Plan Description (SPD), which provides information regarding the Clergy Retirement Security Program (CRSP), a program of one or more church-sponsored retirement income accounts within the meaning of Internal Revenue Code (Code) §403(b)(9). CRSP includes both a Defined Benefit plan, as that term is defined in Code §414(j), and a Defined Contribution plan, as that term is defined in Code §414(i). CRSP is also a Church Plan within the meaning of Code §414(e).

You will notice that some words used in this SPD begin with capital letters. These words have special meanings and are addressed in a glossary at the end of this SPD to assist you in better understanding your benefits. Please keep in mind as you read this SPD that it is a summary of CRSP's main features and not a detailed description of all provisions. The complete details of CRSP can be found in the official CRSP plan document, which is available upon request. You can always access the most current version of the SPD and plan document on the General Board of Pension and Health Benefits (General Board) website: www.gbophb.org.

This SPD describes the terms and conditions of CRSP and is based on the plan document effective January 1, 2010. Every attempt has been made to summarize accurately these terms and conditions; however, if there are any discrepancies between this SPD and the plan document, the CRSP plan document will govern at all times. The plan document constitutes the legal embodiment of the terms and conditions of CRSP, which is subject to amendment or termination as provided therein.

Similarly, if there are any discrepancies between this SPD and your Plan Sponsor's Adoption Agreement, your Plan Sponsor's Adoption Agreement will govern at all times. Nothing contained in this SPD is intended to be nor will be construed as constituting a contract of employment with any employee or Participant or a contract or other arrangement between the General Board or Trustee and any employer, Plan Sponsor, Participant or any other person.

Furthermore, the General Board may, at any time, change the statements made in this SPD. All distributions are subject to rules adopted by the General Board as the plan administrator. Moreover, the General Board has the authority to interpret the plan provisions and the SPD, to develop administrative rules and procedures, and to resolve or otherwise decide matters not specifically covered by the terms and conditions of CRSP. There are additional powers and duties of the General Board and the Plan Sponsor; please contact the General Board for more information. You may request a CRSP plan document at any time.

Bishops are eligible to participate in CRSP effective September 1, 2008. You may refer to the supplemental brochure *CRSP for Bishops* for plan provisions unique to bishops.

INTRODUCTION

In today's world, benefit plans are commonplace. Such plans, however, are a relatively modern invention. Although there are records of retirement plans going back to colonial times, these plans were few and far between until the American Express Company introduced a pension plan for its employees in 1875. Employer-sponsored welfare benefits plans, such as health plans, were almost nonexistent until Montgomery Ward introduced its Group Health, Life and Accident Insurance Plan in 1910.

Given this historical perspective, The United Methodist Church is justified in claiming a long and proud tradition of providing retirement benefits to those in its service. In 1796, The Methodist Episcopal Church introduced its retirement program, called the Chartered Fund, at a time when any type of benefit plan was quite rare. The United Methodist Church continues this proud tradition today through the wide variety of benefit plans and programs offered to those in its service, including the Clergy Retirement Security Program (CRSP).

This plan summary explains the provisions of CRSP, which is designed to provide retirement benefits for eligible Clergy serving The United Methodist Church. Keep in mind that CRSP is only one part of your retirement picture. You also may be eligible for retirement benefits from the United Methodist Personal Investment Plan (UMPIP) and Social Security. Your personal savings and investments could add another layer of retirement income.

Here is an overview of how CRSP works:

- Your Conference makes Contributions to CRSP on your behalf. You are not required or permitted to make Contributions.
- CRSP offers a two-component benefit plan design to eligible Clergy effective January 1, 2007—Defined Benefit and Defined Contribution components provide you with security and flexibility. The Defined Benefit component provides security with a specific lifetime monthly benefit at your Retirement, regardless of market conditions or investment performance, for you, for and your spouse if you are married.
- The Defined Contribution component provides flexibility with a defined amount of money that your annual Conference will contribute to your Account annually for as long as you are an active Clergyperson participating in CRSP. The benefit distributed to you at Retirement is the accumulated amount of Contributions plus earnings (or minus losses) in your Account. You decide how to invest your Defined Contribution Account. CRSP offers a variety of investment fund options, each with low expense ratios and historically competitive returns. All of the investment funds adhere to the General Board's social responsibility guidelines, directed by the Social Principles of The United Methodist Church as outlined in *The Book of Discipline*. You are fully vested in both components of CRSP immediately.
- CRSP is designed to provide retirement income. Generally, you can begin receiving your monthly Defined Benefit distribution as early as your Retirement or attainment of age 62 after your Termination of Conference Relationship. In addition, CRSP allows you to withdraw money from your Defined Contribution Account upon your Retirement, Termination of Conference Relationship or becoming Disabled.
- In the event of your death, your Defined Contribution Account is available to your Spouse or Designated Beneficiary.

As with any retirement plan, there are some limitations and restrictions on participation, contributions and distributions. To make sound decisions and take full advantage of CRSP's features, you should understand how CRSP works. The best way to start is to read this Summary Plan Description (SPD). Then, if you have further questions, please contact your Conference or the General Board.

PARTICIPATION IN THE PLAN

To participate in CRSP, you must be eligible under the terms of CRSP and the Adoption Agreement between the General Board and your Conference—or the General Council on Finance and Administration (GCFA) if you are a bishop.

Bishops are eligible to participate in CRSP effective September 1, 2008. You may refer to the supplemental brochure *CRSP for Bishops* for plan provisions unique to bishops.

Who Is Eligible to Participate?

You are eligible to participate in CRSP if you are a United Methodist Clergy person who is:

- under Episcopal appointment to a local church, pastoral charge, district or Conference-controlled agency, camp, foundation or other entity specified by the Conference and receiving eligible Compensation for your services (including local pastors, deacons and ministers of other denominations);
- receiving Disability benefits under the Comprehensive Protection Plan (CPP);
- on Incapacity Leave but not receiving CPP Disability benefits (only if Incapacity Leave is elected by your Conference as an eligible category for participation); or
- a bishop of The United Methodist Church, elected by a jurisdictional conference, effective on or after September 1, 2008.

If you are a Retired member of a Conference and appointed after Retirement, you may receive distributions from CRSP (and its supplements) as a Retired Participant, but you are not eligible to enroll in CRSP as a Participant and accrue benefits as a United Methodist Clergy person under Episcopal appointment unless you are returned to the effective relationship by your Conference.

How and When You Enroll

Once you are eligible to participate, your Conference will enroll you in CRSP beginning on the earlier of:

- the Effective Date of CRSP if you satisfy the eligibility requirements on that date, or
- the first day of the month on or immediately following the date upon which you satisfy the eligibility requirements.

If you are a Clergy person appointed to less than full-time Service or if you are a part-time or student local pastor, you may voluntarily elect not to participate (waive participation) in CRSP by completing and submitting a Waiver of Participation form, available from your Conference, not later than 60 days after the effective date of such election. You may revoke this waiver at any time, but your Conference is not responsible for Contributions for any period during which a waiver was in effect.

DEFINED BENEFIT COMPONENT

CRSP has a Defined Benefit component, which will help provide financial security to you for your lifetime with monthly retirement income. The amount of your Accrued Benefit is determined using a formula that includes the Final Denominational Average Compensation (DAC) and your Years of Credited Service as a Clergy person on or after January 1, 2007. As your Years of Credited Service to the Church grow, so will your Accrued Benefit.

Monthly Benefit Formula

Your Accrued Benefit, payable at your Normal Retirement Date in the normal form of payment, is based on a formula that uses your Final DAC and your Years of Credited Service and is payable as a monthly benefit to you for the remainder of your life:

$$1.25\% \times \text{Final DAC} \times \text{Years of Credited Service After December 31, 2006} \div 12$$

Example:

You Retire at the 2015 annual Conference, effective July 1, 2015. You have 8½ Years of Credited Service under CRSP. Assuming that the 2015 DAC is \$60,000, the CRSP monthly Defined Benefit is calculated as follows:

$$1.25\% \times \$60,000 \times 8.5 = \$6,375$$

Your Accrued Benefit is $\$6,375 \div 12 = \531.25 per month.

In addition, you may be eligible for benefits from other United Methodist Church plans, such as the Ministerial Pension Plan (MPP) or the Pre-82 Plan.

How Service Counts

If you are eligible and enrolled in the defined benefit component of CRSP, the accrual of Credited Service for CRSP starts on the first day of the month coinciding with or following the effective date of your Service.

If you serve full-time and are eligible and enrolled in CRSP, you will receive Credited Service in one-day increments. A Year of Credited Service equals 365 days of Service.

If you are appointed to less than a full-time appointment, CRSP determines your Credited Service by multiplying the percentage of your appointment by the days of Service you completed (rounded to the next whole day of Service). If your part-time appointment is not specified at a 25% or other increment, CRSP assumes you are serving a 50% appointment. If you are appointed less than 25%, you will not accrue Credited Service.

Examples:

If you are appointed at 50% to a local church and complete 730 days of Service during that appointment, you would receive one Year of Credited Service:

$$50\% \times 730 \text{ days} = 365 \text{ days of Service} = \text{one Year of Credited Service}$$

If you are appointed at 25% to a local church and complete 201 days of Service, you would receive 51 days of Credited Service:

$$25\% \times 201 \text{ days of Service} = 50.25 \text{ days (rounded to 51 days)}$$

Period	Appointment	Appointment Percentage	Days of Service	Credited Service
01/01/07 - 06/30/08	First UMC	100%	546 days	1.50 years
07/01/08 - 09/30/08	Wesley UMC	100%	92 days	.25 years
10/01/08 - 06/30/09	Family Leave of Absence	100%	0 days	None
07/01/09 - 06/30/10	Asbury UMC	50%	183 days	0.50 years
Total Years of Credited Service				2.25 years

Returning to Work After a Break in Service

A Break in Service occurs when you have Retired or incurred a Termination of Conference Relationship.

If you were participating in CRSP before your Termination of Conference Relationship or Retirement and you later return to the effective relationship with a Conference (pursuant to ¶358.7 of *The Book of Discipline*) before beginning your benefit, you can participate in CRSP if you again become eligible. You will be able to earn Accrued Benefits for the new period, but you will not receive Credited Service for the time period during your Break in Service.

Your Accrued Benefit will be calculated as follows: Your Credited Service before a one-year Break in Service will be multiplied by the DAC in effect when your Break in Service began. Your Credited Service after your one-year Break in Service will be multiplied by the DAC in effect at your Retirement (or later Break in Service). Your Accrued Benefit will be the sum of these two separate calculations.

If you were In Pay Status after your Termination of Conference Relationship or Retirement and you later returned to the effective relationship with a Conference, your monthly distribution would be suspended until you again incur a Termination of Conference Relationship or Retirement. If you were again eligible for CRSP after returning to the effective relationship, you would accrue a further benefit. At your later Termination of Conference Relationship or Retirement, your benefit would be recomputed based on all of your Credited Service and would be actuarially adjusted to reflect the amount already paid to you.

When Your Defined Benefit Is Paid

You can begin receiving your Defined Benefit upon:

- Retirement—either after 30 years of Service or at age 62,
- age 62 after Termination of Conference Relationship, or
- age 62 if you Retire after 20 years of Service under ¶358.2a of *The Book of Discipline*.

If you elect to receive benefits before Normal Retirement Age, your benefit will be reduced. See the “Early Retirement Reduction” section on page 7 for more information.

Retirement

In no case are you “Retired” until you are granted the Retired relationship by your Conference. Retirement provisions for Clergy are governed by ¶358 of *The Book of Discipline*. Please consult the Disciplinary language or speak with someone in your Conference office for more information on Retirement eligibility and the Retirement process.

You must begin receiving your benefits by your Required Beginning Date, which is April 1 of the year following the later of:

- the year in which you turn age 70½, or
- the year in which you Retire.

Starting your CRSP Defined Benefit by the Required Beginning Date satisfies your Required Minimum Distribution responsibility for your Defined Benefit under the Internal Revenue Code (Code). (See the “Required Minimum Distributions” section on page 15.)

Termination

If you no longer have a Conference relationship because of honorable location, withdrawal to unite with another denomination, the surrender of your ministerial credentials, the surrender of your local pastor license or other Termination of Conference Relationship with The United Methodist Church, you can begin receiving your Defined Benefit when you attain age 62. You cannot elect to begin monthly benefits before you reach age 62.

If you terminate your Conference relationship under ¶361.2 of *The Book of Discipline*, you may elect to transfer the actuarial equivalent of your accrued Defined Benefit to your CRSP Defined Contribution Account (regardless of your age) within 180 days of your withdrawal. If you do not request a transfer within 180 days of your withdrawal, you can begin receiving your Defined Benefit when you attain age 62.

Death

If you die before you begin receiving your Defined Benefit annuity and you had no Spouse on the date of your death, then no benefits of any kind will be paid to any person. If you had a Spouse on the date of your death, then your Spouse will be entitled to a 70% Pre-Retirement Survivor Benefit.

If you die after you begin receiving your Defined Benefit annuity, whether a continued benefit is paid to your Spouse or someone else who is your Contingent Annuitant depends upon the form of benefit you were receiving at your death.

How Your Defined Benefit Is Paid—Forms of Benefit

Normal Form

The normal form of benefit payment is the way in which your CRSP Defined Benefit will be paid unless you qualify for and elect an optional form of payment. If you are:

- married at the time you are granted the Retired Conference relationship, the normal form of benefit is a “life and 70% survivor” annuity to your surviving Spouse.
- not married at the time you are granted the Retired Conference relationship, the normal form of benefit is a “life only” annuity.

The aforementioned monthly benefit amount will increase by 2% on each January 1 of the plan year, provided you received your CRSP benefit by July 30 of the preceding year. You may elect to change the standard annual 2% benefit increase to 3%, 4% or 5%. If so, you will receive the actuarial equivalent of the normal form.

- If you incurred a Termination of Conference Relationship, regardless of your marital status, the normal form of benefit is a “life only” annuity with a 0% annual increase. You may elect to change the standard 0% increase to 2%, 3%, 4% or 5%. If so, you will receive the actuarial equivalent of the normal form.

Optional Forms

You may be able to elect an optional form of monthly benefit instead of the normal form. If you are:

- a married Clergy person with a Retired Conference relationship, the optional form of benefit is a “life and 100% survivor” annuity payable upon your death. Your Spouse must consent to the election of this optional form of benefit.
- an unmarried Clergy person at the time of Retirement or a terminated Clergy person, the optional forms of benefit are:
 - a “life and 70% survivor” annuity,
 - a “life and 100% survivor” annuity,
 - a “life with 5-year certain” annuity, or
 - a “life with 10-year certain” annuity.

The optional form of benefit is the actuarial equivalent of the normal form of benefit.

You will receive more information regarding your benefit options when you apply for plan benefits. IRS regulations may limit your ability to receive certain optional forms and increases.

Once you begin receiving a monthly benefit, you may not change your election of type or amount of benefit or the survivor who will receive benefits at your death (even if such survivor is no longer your Spouse or if you marry or remarry another Spouse). If your survivor dies before you do, there will be no change in your monthly benefit and no further benefits will be paid to anyone at your death.

Early Retirement Reduction

If you begin your benefit before reaching your Normal Retirement Age, your monthly benefit will be less than if you wait to begin your benefit on or after your Normal Retirement Age. Early retirement benefits are reduced 0.5% for each month that you begin your benefit before your Normal Retirement Age.

Small Benefit

If the total monthly benefit or annuities paid from General Board-administered plans is less than \$100, the General Board will transfer the actuarial equivalent of your CRSP Accrued Benefit to your CRSP Defined Contribution Account instead of paying monthly CRSP benefits. This transfer will not occur if you are a Disabled Participant or Disabled Terminated Participant. The actuarial equivalents of any other monthly benefits will be transferred or distributed based on the provisions of each applicable plan. See the “Access to Your Defined Contribution Account” on page 13 to learn more about distributions of your CRSP Defined Contribution Account.

Withdrawal from Denomination

If you terminate your Conference relationship under ¶361.2 of *The Book of Discipline*, you may elect to transfer the actuarial equivalent of your accrued Defined Benefit to your CRSP Defined Contribution Account (regardless of your age) within 180 days of your withdrawal. If you do not elect a transfer within 180 days of your withdrawal, you may elect to begin your monthly benefits in one of the forms described above on or after age 62.

DEFINED CONTRIBUTION COMPONENT

CRSP includes a Defined Contribution component, which will provide an account balance you can access as your retirement needs require.

Contributions to Your Account

Once you are enrolled in CRSP, your Conference contributes to the Defined Contribution component of CRSP on your behalf as long as you are eligible and receiving Compensation. Contributions to your Account are made monthly in the amount of 3% of your Compensation.

If you are receiving CPP Disability benefits, CPP will make the monthly Contributions to the Defined Contribution component of CRSP in the amount of 3% of your deemed Compensation under CPP. This deemed Compensation starts as the Compensation you received immediately preceding your Disability and increases by 3% each year, provided you received a CPP benefit on the immediately preceding December 31. If you no longer have a Conference relationship with The United Methodist Church because a Termination of Conference Relationship has occurred, such as the surrender of your ministerial or local pastor credentials, you will no longer be eligible to receive the CPP Contribution to CRSP.

If you are on Incapacity Leave and your Plan Sponsor has elected to make CRSP Contributions on your behalf, your Plan Sponsor will make the monthly Contributions to the Defined Contribution component of CRSP in the amount of 3% of your deemed Compensation. This deemed Compensation starts as the Compensation you received immediately preceding your Incapacity Leave and increases by 3% each year, provided you were on Incapacity Leave the immediately preceding December 31. If you no longer have a Conference relationship with the United Methodist Church because a Termination of Conference Relationship has occurred, such as the surrender of your ministerial or local pastor credentials, you will no longer be eligible to receive this CRSP contribution.

Example:

If your Compensation is \$50,000 for the 2009 calendar year, the annual Contribution to your CRSP Defined Contribution Account for 2009 will be 3% of \$50,000, or \$1,500:

$$\$50,000 \times 3\% = \$1,500$$

Contribution Limitation and Excess Contributions

Generally, the total amount of CRSP Contributions and any contributions to your United Methodist Personal Investment Plan (UMPIP) for the year cannot exceed the lesser of the following:

- \$49,000 in 2009 (or as indexed in later years), or
- 100% of your 415 Compensation.

Your 415 Compensation is the sum of your taxable compensation and any before-tax contributions you made to benefit plans (such as UMPIP or a Code section 125 cafeteria plan). Any amount you claim as a tax-exempt housing allowance exclusion is not included in 415 Compensation. Therefore, if your housing allowance exclusion leaves very little remaining of your 415 Compensation, you may find that you cannot make all of the contributions you wish to UMPIP, or even that CRSP Contributions may have to be limited.

If the annual contributions to your CRSP Account and any other retirement plans, such as UMPIP, exceed the limits set forth above, the General Board must follow IRS guidelines to correct, or re-characterize, the excess contributions. Your plan sponsor is responsible for monitoring your total contributions to all plans to ensure that you do not exceed the annual IRS limits and for notifying the General Board accordingly.

Late Contributions

Your Conference is required to remit Contributions to your CRSP Account as soon as possible, but in no event later than the due date established by the General Board. If your Conference remits Contributions after this date, your Conference is required to make up the missed or delayed Contributions plus any imputed earnings.

How to Keep Track of Your Accounts

The General Board will mail you an Account statement every quarter. This statement will list the Contributions remitted since the last statement you received, plus any earnings (or minus any losses) and other transactions. In addition, you have 24-hour access to your Account information online through Benefits Access (www.benefitsaccess.org) or via telephone with the IVR system (**1-800-251-2201**).

IVR System

You can use the IVR system to get CRSP account balance information 24 hours a day, seven days a week. Here's how to use this system:

- call **1-800-851-2201**,
- enter your Social Security number,
- enter your PIN, and
- follow the prompts.

Beneficiary Designation

Your Beneficiary is the person or persons to whom the General Board will pay your CRSP Defined Contribution Account if you die before receiving the entire Account. In addition, your Beneficiary will receive your Account if the General Board or your Conference cannot locate you when you must begin receiving a distribution from your Account.

The General Board has sole discretion in determining the Beneficiary of any benefits payable under the terms and conditions of CRSP.

Plan Designation

Under the terms and conditions of CRSP, if you are married when you die, your primary Beneficiary is your Spouse unless your Spouse consents to the designation of someone else as your primary Beneficiary. If you are unmarried at the time of your death, you did not designate a Beneficiary or your designated Beneficiaries are all deceased or cannot be located, then the General Board will pay your Account to your estate as your CRSP Account default Beneficiary.

Upon your death, the General Board must pay your Account to your estate if you are single and left no valid Beneficiary designation. Because payment to your estate may delay or reduce the payment of your Account to the heirs of your estate, the General Board suggests that you designate a Beneficiary. You may also want to seek estate-planning advice.

If you designated a Beneficiary for your MPP account prior to January 1, 2007 but do not designate a CRSP Account Beneficiary, your MPP account Beneficiary will also be your CRSP Account Beneficiary.

Participant Designation

You may designate a Beneficiary by submitting a completed Designation of Beneficiary for Retirement Plans form

(Beneficiary Designation Form) to the General Board during your lifetime. A valid designation will override the plan designation indicated above, as long as you comply with the following rules. If you want to direct payment to someone in addition to or instead of your Spouse or estate, it is important that you designate a Beneficiary.

Married Participants

If you are married, you may designate someone in addition to or in place of your Spouse, but your surviving Spouse must consent to the designation if you die while married. Your Spouse may consent to your designation before or after your death.

If you do not have spousal consent and you are married when you die, your Beneficiary designation will not be effective unless your Spouse consents to it after your death or one of the following exceptions applies:

- you submitted a valid Beneficiary Designation Form before January 1, 1993 when spousal consent was not required under the then-applicable rules,
- at your death, you are legally separated from or abandoned by your Spouse and you (or your heirs) produce a court order confirming such separation or abandonment,
- your Spouse disclaims all benefits from your Account in writing before receiving them,
- your Spouse cannot be located, or
- you have a qualified domestic relations order (QDRO) requiring all or a portion of your benefits to be paid to an Alternate Payee under the QDRO. (See the “Assignment of Benefits and Qualified Domestic Relations Orders (QDROs)” section on page 26.)

If you and your Spouse were to divorce, any Beneficiary designation you made after January 1, 1998 in favor of your former Spouse before the divorce would automatically be revoked. Your former Spouse would no longer be your Beneficiary unless:

- the General Board receives and approves a QDRO that requires CRSP to pay benefits to your former Spouse as your Beneficiary, or
- you filed a new Beneficiary Designation Form with the General Board after your divorce naming your former Spouse as your Beneficiary.

Designation Procedures

You may designate one or more individuals, trusts or other legal persons or entities as your Beneficiary, subject to possible spousal consent (see the “Married Participants” section above). Each Designated Beneficiary will receive an equal share unless you clearly specify otherwise on the Beneficiary Designation Form. If the shares do not equal 100%, each Beneficiary will receive an equal share. Also, you may designate a primary and a secondary Beneficiary. If your primary Beneficiary is not validly designated, is not alive at your death or disappearance, or cannot be located after your death or disappearance, your secondary Beneficiary may receive your Account.

You may request the Beneficiary Designation Form from your Conference or the General Board. After completing this form, please sign it and return the original to the General Board. Your Beneficiary Designation Form is valid only if it is received by the General Board during your lifetime or if it postmarked or sent by private courier (such as FedEx or the United Parcel Service) to the General Board before your death. The most current valid Beneficiary Designation Form will revoke all previous forms. You can also designate beneficiaries by logging on to **www.benefitsaccess.org**.

Be sure to check your designations periodically (especially after a family birth, death, marriage or divorce) to make sure that they still represent your wishes. If you elect to make any changes, you must submit a new Beneficiary Designation Form to the General Board or update your beneficiaries by logging on to **www.benefitsaccess.org**.

If the General Board determines that your Beneficiary Designation Form is not valid for some reason, we will return it to you and your previous designations will remain in effect. If the General Board returns a Beneficiary Designation Form to you because it is not valid, it is important that you understand the reason and submit a new form with your desired Beneficiary designation. If the reason that the General Board did not accept the Beneficiary Designation Form is unclear, please contact the General Board for an explanation.

In addition to the aforementioned rules, the Beneficiary designation rules include the following:

- Do not indicate groups of people such as “my children,” “my parents” or “my nieces and nephews.” Instead, be sure to indicate their names. The General Board cannot investigate who might belong to a class of persons you have named.
- If you have a birth or adoption, you will need to submit a new Beneficiary Designation Form if you wish to designate your new child as a Beneficiary.
- Sign and date the Beneficiary Designation Form.
- Clearly indicate whom you are designating as your primary Beneficiary.
- Do not write the name of a person whom you wish to name as a primary Beneficiary in the section reserved for secondary Beneficiary designation (or vice versa).
- Clearly indicate your intent regarding your designation of a Beneficiary, because we cannot assume any intent except that which you clearly indicate on your Beneficiary Designation Form.

Please keep your Beneficiary Designation Form up-to-date. If your Beneficiary dies or you divorce, you may wish to change your Beneficiary designation. You also should keep a copy of the most recent form you sent to the General Board or log on to www.benefitsaccess.org to view your current beneficiary designations.

In addition, please provide the General Board with your Beneficiary’s address and phone number and keep it up-to-date. If your Beneficiary does not submit a claim for benefits at your death or the General Board cannot locate your Beneficiary, he or she may forfeit the benefits. Contact your Conference or a General Board representative or use Benefits Access to request a Beneficiary Designation Form or log on to www.benefitsaccess.org .

If you wish to name more than one person as your primary Beneficiary, list all such persons in the space reserved for primary Beneficiary designation. Keep in mind that no secondary Beneficiaries will receive benefits unless all primary Beneficiaries are deceased or cannot be located.

The General Board reserves the right to change the Beneficiary rules at any time in accordance with the terms and conditions of CRSP.

It is important that you understand the Beneficiary designation rules. Please contact the General Board for more information.

If your Beneficiary does not immediately elect to receive a distribution, he or she may designate his or her own Beneficiary. If he or she does not designate a Beneficiary, the General Board will pay the Account to your Beneficiary’s estate upon your Beneficiary’s death.

Investment of Your Accounts

You may direct the investment of your CRSP Defined Contribution Account into any one or a combination of the investment funds offered by the General Board. In addition, your Alternate Payee—or, in the event of your death, your Beneficiary—may also direct the investment of his or her Defined Contribution Accounts until receiving a distribution from CRSP.

You may invest the contributions in one or more of the investment funds listed below (or such other funds that may be offered by the General Board) in increments of 1%:

- Stable Value Fund
- Inflation Protection Fund
- Fixed Income Fund
- Multiple Asset Fund
- Balanced Social Values Plus Fund
- U.S. Equity Fund
- International Equity Fund

You may also use the LifeStage Investment Management Service (LifeStage) to manage the investment of your Defined Contribution Accounts.

CRSP Participants pay the General Board's costs of CRSP administration by means of investment management fees. The investment management fee is subtracted from each investment fund before it reports the returns that are credited to your Accounts. You can find the exact management fee for each of the investment funds on the General Board's website.

If you do not make an investment election for CRSP, your Account and future Contributions will follow your UMPIP investment elections. If you do not have a UMPIP election, your Account and future Contributions will be invested through LifeStage.

Defined Contribution Accounts are those for which you select the investments. You can determine how your Accounts are invested among the General Board's investment funds, or you can allow LifeStage to create a customized portfolio for you. The following are Defined Contribution Accounts, although you may not have balances in all of them:

- CRSP Defined Contribution
- Retirement Plan for General Agencies (RPGA)
- United Methodist Personal Investment Plan (UMPIP)
- Horizon 401(k) Plan (Horizon)

All of your General Board Defined Contribution Accounts are invested in the same way. When you make an investment election, it applies to all of your Defined Contribution Accounts. If you elect to use LifeStage, then LifeStage will manage the investment of all of your Defined Contribution Accounts. If you elect to choose which General Board funds to invest in, all of your Defined Contribution Accounts will be invested in the same funds. For more information about the General Board's funds, visit our website at www.gbophb.org or call the General Board at **1-800-851-2201**.

LifeStage Investment Management Service

You may choose LifeStage or LifeStage might apply by default to your Account. LifeStage currently allocates the Contributions made on your behalf among five of the General Board's investment funds. The allocation, or investment mix, represents your individual investment portfolio. It is based on your age, the assets in your General Board retirement Accounts and the answers you may provide to the LifeStage Personal Investment Profile.

If you do not complete the Personal Investment Profile, LifeStage assumes default answers. The Personal Investment Profile includes an opportunity to state your risk preference (the default is moderate), whether you will receive Social Security benefits after retirement (the default is yes) and, if you are a Clergy person, when you expect to Retire (the default is Social Security Normal Retirement Age).

After determining your investment fund allocation, LifeStage manages your Account. As you age or your profile changes, LifeStage adjusts your allocation accordingly. LifeStage will also periodically rebalance your Account to return you to your targeted investment fund allocation when differences in market returns in different investment funds have caused your investment fund allocation to be out of balance. You may elect to use LifeStage or to stop using it via Benefits Access or the *Investment Election Form*.

For more information about available investment funds, including fund objectives, historical performance and benchmarks, check the General Board's website at www.gbophb.org.

Making Your CRSP Investment Elections

You may make two types of investment fund changes:

- you may change the way future Contributions (including future rollovers) to your Account are invested without affecting the money currently invested in your Defined Contribution Account, and/or
- you may change the way your existing Defined Contribution Account (past Contributions and earnings) is invested without affecting future Contributions.

CRSP offers two ways to make investment elections, once you have decided to direct the investment of your own Account:

- Benefits Access (www.benefitsaccess.org), or
- the *Investment Election Form*.

Benefits Access

You can get information about your CRSP Account and make changes 24 hours a day, seven days a week, via Benefits Access.

To use the website:

- Go to www.benefitsaccess.org,
- Enter your username and password, and
- Follow the prompts.

If you have not registered for the Benefits Access website, you will need to register using your Social Security number and personal identification number (PIN). If you need a new PIN, call the General Board at **1-800-851-2201**.

Investment Election Form

You can call the General Board at **1-800-851-2201** Monday through Friday between the hours of 8:00 a.m. and 6:00 p.m., Central time, and request an *Investment Election Form* or request the form at the General Board website (www.gbophb.org).

Access to Your Defined Contribution Account

There are different times at which you may access your Accounts, each of which may impact your financial security in Retirement. Before you elect to receive a distribution, the General Board recommends that you seek financial, tax and/or legal advice to ensure that you understand the consequences.

You may access your CRSP Defined Contribution Account by requesting the following:

- distribution at the time of Termination of Conference Relationship and Retirement, or
- early distribution due to Disability.

You may leave your Defined Contribution Account in CRSP until your Required Beginning Date (see the “Required Minimum Distributions” section on page 15).

If you die before you receive a complete distribution of your Account (i.e., if there is an Account upon your death), the General Board will distribute your Account to your Beneficiary or Beneficiaries.

Termination of Conference Relationship and Retirement

If the total value of your CRSP Account plus any other General Board-administered Account balances or Accrued Benefits is greater than \$5,000 at the time you terminate your Conference relationship or Retire, you may choose to leave the money on Account until a later date or you may choose to receive a distribution at any time after you terminate or Retire. If you do not request a distribution from your CRSP Account, it will remain invested on a tax-deferred basis until it is paid to you.

If the total value of your CRSP Account and any other General Board-administered Account balances or Accrued Benefits does not exceed \$5,000 at the time you terminate your Conference relationship or Retire, your CRSP Account balance will be distributed as follows:

- If the total value of your CRSP Account exceeds \$1,000 but does not exceed \$5,000 and you do not request a lump-sum distribution or a rollover to another eligible plan or IRA, the General Board will automatically roll over your CRSP Account into an IRA in your name provided by a custodian designated by the General Board.

- If the total value of your CRSP Account at Termination of Conference Relationship or Retirement is \$1,000 or less and you do not request a distribution or a rollover to another eligible plan or IRA, the General Board will automatically pay your CRSP Account to you as a lump-sum distribution as soon as administratively possible.

Disability

If you are deemed to be Disabled, you may take a distribution of some or all of your CRSP Defined Contribution Account.

You are considered Disabled, for distribution purposes, if you are receiving disability benefits from the Social Security Administration or under the terms of CPP or another long-term disability plan provided by your Plan Sponsor. If you are Disabled, you may withdraw all or any portion of your Defined Contribution Account (or you may leave it on Account).

You are considered permanently Disabled, for distribution purposes, if you are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of indefinite duration. If you are permanently Disabled, distributions you receive before turning age 59½ may not be subject to a 10% early withdrawal penalty. If you are not considered permanently Disabled, you may owe the 10% penalty on any distributions you receive before you turn age 59½. Contact the IRS for more information regarding the excise tax and any reporting requirements.

Defined Contribution Distributions Upon Death

Your CRSP Defined Contribution Account is payable to your Beneficiary (see the “Beneficiary Designation” section on page 9) if you die before benefit payments begin or before your entire Account is paid out to you. In each case, the General Board must pay your Account to your Beneficiary in accordance with the Required Minimum Distribution rules. The General Board may require that your Beneficiary provide proof of your death and other information with the claim.

Death Before Receiving Benefits

Spousal Beneficiary – If your Beneficiary is your Spouse, after your death, your Spouse may elect to:

- receive payment immediately,
- receive payment over his or her remaining life expectancy (must be elected within the calendar year following your death),
- defer payment until as late as December 31 of the calendar year you would have turned age 70½ (and then receive payments over his or her remaining life expectancy), or
- defer payment until December 31 of the calendar year of the fifth anniversary of your death.

Your Spouse Beneficiary’s Required Beginning Date is the latest of the above events.

Your Spouse may request a direct rollover into another qualified plan or IRA (as long as your Account is greater than \$200). If your surviving Spouse dies before receiving the distribution of your entire Account, the General Board will pay your surviving Spouse’s Beneficiary.

Non-Spouse Beneficiary – If you die before you start receiving benefits or before your Required Beginning Date, your non-Spouse Beneficiary may choose to:

- receive payment immediately,
- receive payment over the Beneficiary’s remaining life expectancy by means of a cash installment distribution election (if he or she makes this election by December 31 of the calendar year immediately following the calendar year in which you died),
- defer payment until as late as December 31 of the calendar year of the fifth anniversary of your death,
- receive partial lump-sums or cash installments over the five-year period described in the previous bullet. (see the “Cash Installments” section on page 20), or
- request a direct rollover into an inherited IRA (as long as your Account is greater than \$200).

If your non-Spouse Beneficiary dies before receiving the distribution of your entire Account, the General Board will pay his or her Beneficiary.

Death After You Begin Receiving Benefits

If you die after you begin receiving benefits, your Beneficiary may elect to receive payment immediately in a lump-sum or to receive payment over the longer of your remaining life expectancy or your Beneficiary's life expectancy. If your Beneficiary is your estate, a trust or another non-individual, such entity may elect to receive your remaining benefits in a lump-sum or to defer payment until as late as December 31 of the calendar year of the fifth anniversary of your death.

If your Beneficiary chooses not to receive an immediate payment of your Account, he or she may name a Beneficiary to receive payment in the event of his or her death. (See the "Beneficiary Designation" section on page 9.)

Required Minimum Distributions

You must begin receiving Required Minimum Distributions by your Required Beginning Date of April 1 of the calendar year following the year in which you reach age 70½ or April 1 following the year in which you Retire or terminate, whichever is later. To satisfy the Required Minimum Distribution rules, you must receive an amount that would be distributed proportionately over your expected lifetime (or the expected lifetimes of you and your Spouse) or at a faster rate. The amount of the Required Minimum Distributions is determined by IRS regulations, which are subject to change. If you do not request a distribution that satisfies the Required Minimum Distribution rules by the Required Beginning Date, the General Board may automatically distribute the minimum amount to you. Although the General Board may distribute the amount to you, you are solely responsible for satisfying IRS rules and regulations. For more information, contact the General Board or the IRS. Or you may want to consult a certified financial planner or estate planner.

Receiving a Required Minimum Distribution is a very important responsibility under the Code. The Code requires that you receive a minimum amount by a certain date. If you do not take a Required Minimum Distribution, the IRS may impose a penalty of 50% of the distribution that you should have taken. Consequently, you should understand the IRS rules and regulations. Because the General Board cannot provide tax advice, we suggest that you seek the advice of a financial planner, estate planner, tax advisor or attorney.

How Your Defined Contribution Benefit Account Is Paid

Forms of Payment

You have several convenient distribution options when you decide to access the money in your Account, provided you qualify for a distribution. If you need all of your money, you can take a lump-sum distribution. You also can take a partial lump-sum distribution, and your remaining Account balance will stay invested at the General Board until you need to access it again. You also have the option of taking a series of regular payments called cash installments.

- **Single-Sum (or Lump-Sum):** You may elect to receive one cash payment (single-sum or lump-sum) equal to your Account valued as of the Accounting Date coinciding with or immediately before the date of distribution.
- **Partial Lump-Sum:** You may elect to receive one partial lump-sum distribution quarterly, up to the value of your Account. This form of payment is subject to the Required Minimum Distribution regulations.
- **Cash Installments:** As an alternative to lump-sum and partial lump-sum payments, you may elect to receive cash installments. Cash installments are a series of distributions payable annually or at more frequent intervals. You may elect either a periodic cash installment amount or the expected period of the distribution, subject to rules established by the General Board and the Required Minimum Distribution regulations of the Code. If you specify the period of the distribution, your Account will be divided by that period, and you will receive your entire Account in equal installments over approximately that period. While you are receiving cash installments, your Account continues to be subject to investment gains, losses and expenses. Your cash installments will continue until you change your election or until your entire Account is distributed.
- **Trailing Account:** A trailing Account occurs when there is a delayed Contribution or other credit or correction in accounting applied to your Account after you have received your entire Account. If the trailing Account balance is less than \$200, you will automatically receive the payment as a lump-sum. If the trailing Account balance is greater than or equal to \$200, the General Board will automatically distribute the amount in the same form of

payment as your previous distribution.

Although the CRSP Defined Contribution Account does not offer annuity distributions, you may use your Account to purchase an annuity from a commercial annuity provider. Contact the General Board for more information.

Rollover Out

You may roll over part (at least \$200) or all of your Eligible Rollover Distribution into another eligible retirement plan, such as a Code section 403(b) plan, 401(a)/401(k) qualified plan, 457 deferred compensation plan, traditional IRA or Roth IRA. It is your responsibility to determine if the other plan accepts rollovers. When the General Board directly rolls over an amount to another eligible plan or IRA, you will not be subject to immediate taxation or tax withholding on the amount of the rollover, except in the case of a rollover to a Roth IRA.

When an Eligible Rollover Distribution is paid to you, it is subject to an automatic 20% federal income tax withholding. If you wish to roll over the entire amount of the Eligible Rollover Distribution, you will have to substitute other money from another source to make up for the 20% that was withheld. If you do not substitute other money and therefore roll over only the 80% you received to the other plan or IRA, then the 20% of your distribution that was withheld will become a taxable distribution at the end of the 60-day rollover period. The 20% amount will be subject to ordinary income tax and possibly a 10% early withdrawal penalty. To avoid the 20% withholding, you may use a direct rollover.

Not more than 90 days before you receive a distribution, the General Board will provide you with a written notice describing your right to a direct rollover and the tax consequences of your distribution or rollover. We will not process distributions until 30 days after you receive the notice, unless you waive the 30-day notice period in writing. As the notice will describe in greater detail, some distributions are not eligible for rollover. If you are unsure whether you can roll a distribution out of CRSP, contact the General Board or the administrator of the other plan or IRA.

Deciding to take a distribution from your Account is an important retirement-related decision. Please consider each distribution type carefully, and understand its impact on your financial security in retirement. The General Board suggests that you contact a certified financial planner and/or tax advisor for help with this process. Also, remember to contact the General Board for the up-to-date rules and requirements for each distribution.

The Distribution Election Process

To begin this process, you will need to notify the General Board of your desire to begin receiving benefits. We will determine your eligibility to receive benefits and send the appropriate applications and forms to you. Once you receive these documents, you will need to complete them and send them back to the General Board within the election period. (See the “Claims and Appeals” section on page 23.)

The Election Period

The election period is the 180-day period before the date payments begin. The General Board will mail an *Application for Benefits* form to you no more than 180 days and no fewer than 30 days before your benefit is scheduled to begin. If you have received the *Application for Benefits* form and you do not wish to wait until the end of the 30-day notice period before your payment begins, you may waive the minimum 30-day notice requirement at the time you apply for benefits.

Ministerial Pension Plan

During the period of January 1, 1982 through December 31, 2006, you may have participated in the Ministerial Pension Plan (MPP). If your Conference, Salary-Paying Unit or employer sponsored MPP during that period, you were eligible to participate if you were:

- a full, provisional or associate Clergy member of a Conference under Episcopal appointment;
- a bishop of the Puerto Rico Methodist Church;
- a local pastor of a Conference under Episcopal appointment, as long as you received previous approval by the Board of Ordained Ministry and were classified as eligible for a full-time, part-time or student appointment;
- a Clergyperson of another denomination under Episcopal appointment with a Conference, provided you did not participate in a pension plan sponsored by your denomination; or
- a bishop of The United Methodist Church, elected by a jurisdictional Conference (bishops continued receiving MPP contributions through August 31, 2008).

MPP CONTRIBUTIONS

Generally, your Plan Sponsor contributed to the plan on your behalf as long as you were eligible, enrolled in MPP and receiving Compensation as defined under the terms of the plan and your Plan Sponsor's MPP Adoption Agreement. Contributions to your Account were made according to the following formula:

Your Contribution Base x Your Contribution Rate

In most cases, your MPP Plan Sponsor determined the contribution base and contribution rate.

Contribution Base

Your Plan Sponsor chose one of the following three contribution base options:

- your plan Compensation, not to exceed the DAC;
- your plan Compensation, not to exceed 150% of the DAC; or
- your plan Compensation, up to the legally allowed maximum.

Contribution Rate

For most Participants, the contribution rate was 12%. However, if your Plan Sponsor was a Conference, it may have elected a contribution rate of 11%. If you are unsure which contribution rate applied to you, contact your Plan Sponsor or the General Board. Your Conference or Salary-Paying Unit was responsible for remitting MPP contributions to your MPP Account.

MPP ACCOUNT INVESTMENTS

The General Board directs the investment of your MPP Account through LifeStage unless, if eligible, you elected to transfer a portion of your MPP Account to a participant-directed account (PDA). (With the addition of LifeStage, which manages the investment of your MPP Account based on factors such as your age and risk tolerance, the General Board no longer offers PDAs to MPP Participants.)

You can monitor your MPP Account just as you would your CRSP Defined Contribution Account or UMPIP Account. You will receive an Account statement each calendar quarter showing your gains or losses and total MPP Account balance. In addition, you may access your account information through Benefits Access and the IVR system.

MPP BENEFICIARY

If you have an MPP Account, you should designate a Beneficiary—the person or persons to whom the General Board will pay your MPP benefits if you die before receiving all of these benefits.

You may designate a Beneficiary by completing a Beneficiary Designation Form and indicating that the designation applies:

- to the entire CRSP program, including your CRSP Defined Contribution Account and your MPP Account; or
- only to your MPP Account.

If you do not indicate to which Accounts your Beneficiary Designation Form applies, the General Board will apply the Beneficiary designation to all of your Accounts, including your MPP Account.

If you do not designate a Beneficiary on or after January 1, 2007, the General Board will apply your most recent MPP Beneficiary designation as long as it satisfies the rules in effect at the time of receipt. (Your MPP Account Beneficiary designation will also apply to your CRSP Defined Contribution Account if you do not designate a CRSP Beneficiary.) If you have not designated a Beneficiary, or if your Beneficiary dies before you do and you have not designated another Beneficiary, the General Board will pay your Account balance to your estate.

If you are married, your Spouse is automatically your primary Beneficiary unless you are legally separated or abandoned and you have a court order to such effect (according to the laws where you live). You may designate someone other than your Spouse as your primary Beneficiary (for example, your child or a charity), or you may name multiple Beneficiaries. However, your Spouse must provide his or her written consent, and your Spouse's consent must be witnessed by a representative of your Plan Sponsor or by a notary public. If you want to change your MPP Account Designated Beneficiary, your Spouse will need to approve the change in writing again, unless the first consent specifically applies to all future changes. To designate a Beneficiary, you must file a properly completed Beneficiary Designation Form with the General Board.

If you and your Spouse are divorced on or after January 1, 1998, the divorce will revoke any Beneficiary designation in favor of your Spouse made before your divorce. Until you file a new Beneficiary Designation Form with the General Board, benefits are payable as if your Spouse predeceased you.

In all cases, the General Board will determine, in its sole discretion, the Beneficiary of your MPP Account, pursuant to the terms and conditions of MPP.

ACCESS TO YOUR MPP ACCOUNT

You may be eligible to receive a distribution when you:

- Retire under the Retirement provisions of *The Book of Discipline* (§358, except §358.2a),
- attain age 62 if you Retired under the 20-Year Retirement provisions of *The Book of Discipline* (§358.2a),
- attain age 62 if you terminate your Conference relationship, or
- become Disabled.

If you die before you receive a full distribution of your MPP Account, the General Board will pay your MPP Account balance to your designated Beneficiary.

Retirement

You may begin receiving benefits from MPP upon Retirement at:

- age 62 or upon completion of 30 years of Service under appointment, in accordance with ¶358.2b of *The Book of Discipline*;
- age 65 or upon completion of 40 years of Service under appointment, in accordance with ¶358.2c of *The Book of Discipline*; or
- the mandatory Retirement age of 72, in accordance with ¶358.1 of *The Book of Discipline*.

If you Retire under ¶358.2a of *The Book of Discipline* (voluntary Retirement with 20 years of Service), you cannot receive benefits until you are at least age 62.

In no case are Conference members “Retired” until they have been granted the Retired relationship by their Conference. Retirement provisions for Clergy are governed by ¶358 of *The Book of Discipline*. Please consult the Disciplinary language or speak with someone in your Conference office for more information on Retirement eligibility and the Retirement process.

Termination

If you no longer have a Conference relationship because of honorable location, withdrawal to unite with another denomination, the surrender of your ministerial credentials, the surrender of your local pastor license or other termination of your relationship with The United Methodist Church, your MPP Account is payable when you reach age 62. If, however, at the time of your termination or Retirement, your rollover-eligible Accounts exceed \$1,000 but are less than or equal to \$5,000, the General Board will roll over your Account to an individual retirement account (IRA) selected by us—unless you elect to have the Account paid to you or have it directly rolled over to another IRA provider or eligible retirement plan.

Small Accounts

If at the time of Termination of Conference Relationship, your MPP Account balance is less than 25% of the DAC in effect at the time, you may receive a single-sum distribution immediately.

If the total value of your MPP Account plus any other General Board-administered Account balances or Accrued Benefits does not exceed \$5,000 at the time you terminate your Conference relationship or Retire, your MPP Account balance will be distributed as follows:

- If the total value of your MPP Account exceeds \$1,000 but does not exceed \$5,000 and you do not request a lump-sum distribution or a rollover to another eligible plan or IRA, the General Board will automatically roll over your MPP Account into an IRA in your name provided by a custodian designated by the General Board.
- If the total value of your MPP Account at Termination of Conference Relationship or Retirement is \$1,000 or less and you do not request a distribution or a rollover to another eligible plan or IRA, the General Board will automatically pay your MPP Account to you as a lump-sum distribution as soon as administratively possible.

Disability

Under MPP, you are considered to be Disabled if you are receiving disability benefits from the Social Security Administration or if you are receiving disability benefits under the terms of the Comprehensive Protection Plan (CPP). If you are Disabled, you may request to receive up to 35% of your MPP Account balance as a lump-sum or as a periodic payment. Please call the General Board for more information.

For more information on the benefits provided under CPP, see your CPP plan summary or call the General Board at **1-800-851-2201**.

Required Beginning Date

Benefits must begin by April 1 of the calendar year following the calendar year in which you reach age 70½ or April 1 following the year in which you Retire, whichever is later. If you do not make an election to begin receiving benefits

by one of these dates, the General Board may distribute your Account in the normal form of benefit. For more information, contact the General Board. (Please see the “Required Minimum Distributions” section on page 15.)

Death

If you die before you begin receiving benefits, your MPP account is payable to your MPP Designated Beneficiary. If your Spouse is your Beneficiary, he or she may choose from among certain forms of benefit. Your Spouse must begin receiving benefit payments from the plan by December 31 of the calendar year after the year in which you died or December 31 of the calendar year in which you would have reached age 70½, whichever is later. If your Spouse fails to make an election, the General Board will pay benefits in the normal form for surviving Spouses—a “life only” annuity.

If you are single or if someone other than your Spouse is your MPP Designated Beneficiary, the General Board will distribute your Account to your Beneficiary by December 31 of the calendar year of the fifth anniversary of your death. Your Beneficiary may request an earlier distribution from among certain optional forms of benefit by December 31 of the calendar year following the year of your death.

If you die after you begin receiving benefits, whether payments continue will depend upon the payment method you selected when applying for benefits. For example, if you are receiving payments in the form of a “life only” annuity, payments end upon your death. If you are receiving payments in the form of a “life and 70% survivor” annuity, 70% of the benefit you had been receiving before your death continues to be paid to your surviving Contingent Annuitant for the remainder of his or her lifetime.

Forms of Benefit

If you are married at the time your annuity begins, the normal form of benefit is a “life and 70% survivor” annuity payable upon your death, with a 2% annual increase. If you are unmarried, the normal form of benefit is a “life only” annuity. You may elect to receive up to 35% of the value of your MPP Account in a single-sum payment or in periodic payments for a certain term (five, 10, 15 or 20 years) instead of an annuity. However, you must elect a life annuity for the remainder of your MPP Account.

During the 180-day election period before the payments begin, you may choose another form of life annuity as allowed by the General Board in its sole discretion. If you are married, you will need your Spouse’s consent to choose another form of benefit. At the time of your eligibility to receive a distribution, you will receive information regarding the other forms of benefit available and their impact on your monthly retirement benefit.

Following are descriptions of the current forms of benefit available to you. Please contact the General Board for more information about each form and how it may affect your overall retirement income:

- “Life and survivor” annuity: This is a monthly payment for your lifetime and, upon your death, a monthly payment for the lifetime of your surviving Contingent Annuitant. You choose the amount of the monthly payment to your surviving Contingent Annuitant as a percentage of the amount you were receiving. The available choices are 50%, 70%, 75% or 100%.
- “Life only” annuity: This is a monthly payment for your lifetime only. Upon your death, no further benefits are payable to anyone.
- “Life with period-certain” annuity: You may choose to receive a monthly benefit for your lifetime but with a minimum period of payments regardless of your life span. A “life with period-certain” annuity provides payments for the longer of: a) your lifetime, or b) a certain period of time. You may choose the period to be five or 10 years. If you die before the period of time you have elected has elapsed, the monthly annuity payments will continue to your MPP Designated Beneficiary for the remainder of the period.

In addition to the choices above, you may elect one of the following for a total amount up to 35% of your MPP Account:

- “Period-certain” annuity: You may elect to spread payment over a certain period of time. If you die before the end of the period, your MPP Designated Beneficiary will receive the remainder of the payments through the end of the

period. If you outlive the specified period, payments will stop at the end of the period. You may choose a period of five, 10, 15 or 20 years. You also may elect to receive payments on either a monthly or annual basis.

- Single-sum payment: You may elect to receive payment in one single-sum payment.

If you have an MPP Account, you have choices to make regarding the form of benefit. When considering your choice, the General Board recommends that you also consider your other sources of retirement income, including CRSP Defined Benefit and Defined Contribution benefits, UMPIP and Social Security. We suggest that you contact a certified financial planner and/or tax advisor to help you make the decisions that best fit your financial picture in Retirement.

Election Period

The election period is the 180-day period before the date payments begin. The General Board will mail your *Application for Benefits* form no more than 180 days and no less than 30 days before your benefit is scheduled to begin. If you have received the application and you do not wish to wait until the end of the 30-day notice period before your payment begins, you may waive the minimum 30-day notice requirement at the time you apply for benefits.

Contingent Annuitant

The “life and survivor” annuity pays benefits to you and, upon your death, to your Contingent Annuitant. Your Contingent Annuitant is the person you name to receive all or a portion of your annuity payments for the remainder of the term of the annuity after your death. If the form of benefit you choose requires you to name a Contingent Annuitant, you will do so at the time you apply for benefits. When you designate a Contingent Annuitant, your designation will become irrevocable five business days before the earlier of the mailing date of your first monthly benefit payment or your annuity starting date. If your Contingent Annuitant dies before you, no benefits are payable upon your death.

If you are married and you want to elect an option other than the normal form of benefit (“life and 70% survivor” annuity) and/or if you want to name someone other than your Spouse as your Contingent Annuitant, you must obtain your Spouse’s written consent. Your Spouse’s consent must be witnessed by a representative of your Plan Sponsor or a notary public. If you are married and choose a form of benefit that distributes only a portion of your entire Account and you later decide to request the remaining balance, your Spouse’s consent will be required again. Certain IRS regulations define the minimum monthly annuity payable to you regardless of the age of your Contingent Annuitant. These regulations generally apply when the Contingent Annuitant is many years younger than the Participant.

Rollovers

You may directly roll over part (at least \$200) or all of your Eligible Rollover Distribution (see definition below) into another eligible retirement plan, such as a Code section 403(b) plan, 401(a)/401(k) qualified plan, 457 deferred-compensation plan, a traditional individual retirement account or annuity (IRA) or a Roth IRA without incurring a taxable event. When the plan’s trustee directly rolls an amount to another eligible plan or IRA, you will not be subject to immediate taxation or tax withholding on the amount of the rollover, except in the case of a rollover into a Roth IRA.

You also may choose to roll over your Eligible Rollover Distribution to another eligible retirement plan on your own after receiving the distribution. You must complete such a rollover within 60 days of the distribution to defer taxation. When an Eligible Rollover Distribution is made to you, however, it is subject to an automatic 20% federal income tax withholding. If you wish to roll over the entire amount of the Eligible Rollover Distribution, you will have to substitute money from another source to make up for the 20% that was withheld. To avoid the 20% withholding, you may use a direct rollover.

Not more than 180 days before you receive a distribution, the General Board will provide you with a written notice describing your right to a direct rollover and the tax consequences thereof. Distributions will not be processed until 30 days after you receive the notice, unless you waive the 30-day period in writing. As the notice will describe in greater detail, some distributions are not eligible for rollover. If you are unsure whether you can roll a distribution out of (or into) the plan, contact the General Board or the administrator of the other plan.

Pre-82 Plan

In addition to your CRSP and MPP benefits, you may be eligible for Pre-82 Plan benefits if you had eligible Service before January 1, 1982, and participated in a “prior plan.” For Pre-82 Plan benefits, a “prior plan” is defined as the Ministers Reserve Pension Fund, the Partial Reserve Pension Fund, the Local Pastors Reserve Pension Fund, the Senior Plan, the Ministers Reserve Pension Plan or the Current Income Distribution Plan. To be eligible for these benefits, you must have been a Participant in, receiving benefits from or entitled to benefits from one of these plans as of December 31, 1981. In addition, you must be vested in the Pre-82 Plan benefit.

If you enter the Retired relationship with your Conference, and do not terminate, the minimum benefit payable to you is based on two factors: 1) years of Service with pension credit and 2) Conference pension rate. Years of Service with pension credit are approved by each Conference on the recommendation of the Conference Board of Pensions in accordance with plan provisions and *The Book of Discipline*. The pension rate, also called the past service rate, is the dollar amount chosen by the Conference as the amount payable for each approved year of Service with pension credit. Typically, the pension rate changes from year to year. The number of years of Service with pension credit is multiplied by the pension rate, and the product is the minimum annual benefit payable to those eligible for Pre-82 Plan benefits.

Clergypersons who have terminated before Retirement may be subject to certain vesting rules as determined by the applicable provisions of the prior plan and/or *The Book of Discipline* in effect at the time of termination. In addition, the Conference pension rate may be fixed at the rate in effect at the time of your termination. For more information, please call the General Board.

You may have funds on deposit earmarked for the Pre-82 Plan service annuity. These funds may be sufficient to fund a service annuity greater than the minimum benefit described above (years of approved Service with pension credit multiplied by the pension rate). If so, you will receive this benefit instead of the benefit based on the Conference pension rate.

The Pre-82 Plan’s form of benefit for Participants married at the time of Retirement is a “life and survivor” annuity. You are the primary annuitant. Your Spouse as of the date of your Retirement is the Contingent Annuitant, provided that your marriage took place before the date you ceased serving under Episcopal appointment. Upon your death, your Contingent Annuitant receives a percentage of the Pre-82 Plan benefit that was being paid to you at the time of your death. The Conference elected the percentage (70%, 75%, 85% or 100%) that will be paid to the Contingent Annuitant. If you remarried (or married for the first time) after you ceased serving under Episcopal appointment, your Spouse is not eligible for a Pre-82 Plan benefit.

If your Contingent Annuitant dies before you, no benefits are payable to anyone upon your death.

If you are single at the time of your Retirement, or if your marriage took place after you ceased serving under Episcopal appointment, the form of benefit payable under the Pre-82 Plan is a “life-only” annuity.

Generally, benefits will begin as of the first of the month following the month in which you Retire or the month in which you apply for benefits, whichever is later. Normal Retirement for those receiving Pre-82 Plan benefits is age 65 or after 40 years of Service. If you take early Retirement (available at age 62 or after 30 years of Service), you will receive an actuarial reduction in your benefits equal to 0.5% per month for each month between the date you begin your benefits and your Normal Retirement Date. If you wish, you may elect to delay the start of your annuity to a date after your Retirement date, but you will permanently forfeit any payments you could have received by starting your annuity at the earlier date.

If you die while you are an active member of a Conference and before receiving benefits under the Pre-82 Plan, and you are married at the time of your death, your surviving Spouse will receive a benefit, as long as the marriage occurred before the cessation of your Service. The benefit is equal to a percentage of the benefit you would have received. The percentage is elected by the Conference.

If you terminated your Conference relationship before 1982 or served an extension ministry, you may have an Account balance but not a benefit based on years of Service with pension credit and the pension rate, described previously. If so, your Pre-82 Account is treated the same as MPP. Call the General Board for more information.

If the total monthly benefit or annuities paid from General Board-administered plans (including your Pre-82 monthly benefit) is less than \$100, the General Board will transfer the actuarial equivalent of your Pre-82 Accrued Benefit to your CRSP Defined Contribution Account instead of making monthly payments. This transfer will not occur if you are a Disabled Participant or Disabled Terminated Participant. The actuarial equivalents of any other monthly benefits will be transferred or distributed based on the provisions of each applicable plan.

If you believe you are eligible for Pre-82 Plan benefits and you need more information on eligibility, vesting, benefit amounts, or how and when Pre-82 Plan benefits are paid, please call the General Board at **1-800-851-2201**.

Other Information

CLAIMS AND APPEALS

Submitting a Claim for an Account Distribution

Once eligible, you or your Beneficiary may apply for benefits or submit a claim to begin your CRSP retirement benefits, including MPP and Pre-82 benefits, by completing an application and forms provided by the General Board. For more information on the appropriate forms to complete and the choices available to you, contact the General Board at **1-800-851-2201**. You or your Beneficiary must file your claim for benefits within one year after the later of the date:

- the events giving rise to the claim occurred, or
- the claimant knew or should have known of the facts or events giving rise to the claim.

If you or your Beneficiary do not claim benefits within the above timeframe, you must claim them by your Required Beginning Date. (See the “Required Minimum Distributions” section on page 15.) Failure to do so could result in the forfeiture of your benefits.

Denial of the Application or Claim

If the General Board denies a claim for benefits under CRSP (or its supplements, MPP and the Pre-82 Plan), we will notify you or your Beneficiary in writing and will:

- describe the specific reasons for the denial,
- cite the CRSP provisions on which the denial was based, and
- explain the appeal procedures.

You will receive this notice no more than 45 days after filing the original claim or 45 days after the request for or submission of additional materials requested by the General Board. Under special circumstances, an additional 90 days may be necessary to respond to your claim. In these cases, the General Board will notify you in writing. There are two steps in the appeal process: an intermediate appeal and a final appeal.

Intermediate Appeal

If the General Board denies your claim for benefits, in whole or in part, you may request a review of the decision by filing a Notice of Intermediate Appeal with the Intermediate Appeals Committee of the General Board. The notice must be filed with the Intermediate Appeals Committee within 90 days after the date of the letter informing you of the denial decision. You may submit facts that are relevant to your appeal and other relevant, supporting documentation to the Intermediate Appeals Committee for their consideration. If the notice is not filed in a timely manner, the General Board’s decision to fully or partially deny your claim for benefits will be final.

The Intermediate Appeals Committee will hear your appeal at its next regularly scheduled meeting following a period that ends 30 days after the filing of the notice. The Intermediate Appeals Committee will consider the issues and supporting documents that are submitted at least 30 days in advance. However, at their leave or at their discretion, the Intermediate Appeals Committee may consider documents submitted within 30 days. Your hearing may be continued until the following meeting of the Intermediate Appeals Committee upon your request, upon the request of the General Board or at the discretion of the Intermediate Appeals Committee.

You, your duly authorized representative and/or a representative of your Plan Sponsor have the right to appear personally or by conference call before the Intermediate Appeals Committee, subject to the conditions and limitations of the Intermediate Appeals Committee. However, you will be responsible for any expenses associated with the appearance.

The Intermediate Appeals Committee will conduct a review of your intermediate appeal and notify you, in writing, of its decision, the specific reasons for the decision and the provisions of CRSP upon which the decision is based.

Final Appeal

If your claim for benefits is fully or partially denied by the Intermediate Appeals Committee, you may request a review of the decision by filing a Notice of Final Appeal with the Appeals Committee of the Board of Directors of the General Board (Appeals Committee). The notice must be filed with the Appeals Committee within 90 days after the date on which you receive the Intermediate Appeals Committee's written decision. You may submit comments and supporting documents to the Appeals Committee for its consideration. If the notice is not filed in a timely manner, the Intermediate Appeals Committee's decision to fully or partially deny your claim for benefits will be final.

To allow sufficient time for handling and processing, you must file the notice and any supporting documents at least 30 days before the Appeals Committee's next meeting. Appeals filed fewer than 30 days before an Appeals Committee meeting may not be heard until the following meeting. If special circumstances require an extension of time for processing, the General Board will notify you. Your hearing may be continued upon your request, upon the request of the General Board or at the discretion of the Appeals Committee. You, your duly authorized representative and/or a representative of your Plan Sponsor have the right to appear personally or by conference call before the Appeals Committee, subject to the conditions and limitations of the Appeals Committee. However, you will be responsible for any expenses associated with the appearance.

The Appeals Committee will conduct a review of your final appeal and send you a decision within 15 days of the date on which the Appeals Committee makes its determination. The Appeals Committee's decision will be in writing and will include the specific reasons for its decision and the CRSP provisions upon which its decision is based. The Appeals Committee's decision is final.

Your Responsibilities

You may not initiate or maintain any cause of action in law or equity until you have initiated and completed the claim and appeal process. Upon completion of the appeal process, you must initiate any cause of action within six months of the date of the written notice from the General Board regarding the final denial of your appeal.

If you do not appeal a claim denial within the timeframes noted, you will waive your right to file an appeal or lawsuit at a later date. If the Intermediate Appeals Committee or the Appeals Committee does not make a decision or respond within the timeframes noted, you should consider the claim denied, and you are responsible for proceeding to the next step of the claims procedure.

Taxation Considerations

You may owe taxes on all of the amounts paid to you under CRSP.

Taxes While Your Account Is in CRSP

Taxes are deferred on Plan Sponsor Contributions and earnings until distribution as long as this money remains in CRSP and within your Contribution limits. (See the “Contribution Limitation and Excess Contributions” section on page 8.) This tax deferral provides significant advantages to you, because earnings can compound on amounts that are not reduced by taxes.

Taxes When Your Account Is Paid

When you receive a distribution from your Account, the money you receive is considered taxable as ordinary income. The General Board will report the gross distribution amount to you and the IRS. You will receive a notice describing the taxability of your distribution from the General Board before the distribution.

As a Clergy person, you could qualify for the housing allowance exclusion in accordance with the housing allowance rules of Code section 107. You may exclude from your taxable income the least of the following amounts:

- the amount of your pension distribution designated as a housing allowance by your annual Conference,
- your actual costs of providing a home, or
- the fair rental value of your furnished home, plus the annual cost of utilities.

After we receive your retirement notification, we will send you a retirement packet that includes more information about the housing allowance exclusion of your church service-related retirement income.

Automatic Withholding

If you are paid an Eligible Rollover Distribution, the General Board is required to withhold 20% of your taxable distribution for federal income taxes. This is true even if you intend to receive the distribution and roll it over into another eligible retirement plan within 60 days.

To avoid the mandatory 20% federal income tax withholding, you may request a direct rollover. If you request a direct rollover, the General Board will directly pay the qualified plan or IRA of your choosing. The portion that is directly rolled over is not subject to immediate taxation. Any portion that is not directly rolled over will be subject to a mandatory 20% federal income tax withholding.

The General Board is required to withhold 10% from non-periodic distributions (or periodic distributions over a period of fewer than 10 years) that are not rollover-eligible distributions, unless you direct us to do otherwise. For periodic distributions (over a period of 10 or more years) that are non-rollover-eligible distributions, we withhold according to the IRS tax withholding table as though your filing status were married with three allowances unless you direct us otherwise.

10% Federal Excise Tax

An additional 10% federal excise tax may be due on the taxable portion of any withdrawals or distributions you receive before you reach age 59½. This tax is sometimes called an excise tax or an early withdrawal penalty. Generally, this additional tax does not apply if the distribution is rolled over to an IRA or another qualified plan or if payment is made:

- to a Spouse or Beneficiary after your death,
- at age 55 or older after you have terminated during the year you attained age 55 or later,
- because of permanent disability as defined in Code section 72(m)(7),
- to an Alternate Payee according to a QDRO,
- due to medical expenses that qualify as deductible medical expenses under Code section 213,
- in a series of substantially equal periodic payments made not less frequently than annually for the life of the Participant or joint lives of the Participant and his or her Beneficiary,
- as the distribution of elective deferrals you contributed that exceed the annual limits under Code sections 415 or 402(g), or
- as corrective distributions of excess aggregate Contributions.

Tax laws are complex and change often. This SPD contains only a partial discussion of taxes. Because the General Board cannot provide you with tax advice, it is in your best interest to seek the advice of a qualified tax advisor before receiving CRSP distributions.

Other Information

Assignment of Benefits and Qualified Domestic Relations Orders (QDROs)

Your Account is held for your benefit and may not be sold, assigned, transferred, pledged or garnished under most circumstances, and it is not subject to your debts or liabilities.

If you become divorced or separated, however, certain court orders, known as qualified domestic relations orders (QDROs), could require that part of your benefit be paid to someone else, such as your Spouse, former Spouse or children. As soon as you become aware of any court proceedings that may affect your CRSP benefits, please contact the General Board.

When the General Board receives a domestic relations order relating to CRSP, the General Board will notify you and send a copy of the procedures for determining the qualified status of the order to you. Within a reasonable period of time after the receipt of the order, the General Board will determine whether the order is a QDRO and will notify you and each person named in the order, in writing, of its determination.

If a claim or *Application for Benefits* is submitted to CRSP while the General Board is determining whether an order related to your account is a QDRO, the General Board will suspend payment of all or any portion of your benefits otherwise due until the order is determined to be a QDRO or not.

If the order is determined to be a QDRO, any person named to receive benefits under the QDRO (an Alternate Payee) will be assigned the specified portion of your Account with the same rights and responsibilities as a Terminated Participant under CRSP. A distribution to an Alternate Payee may be permitted as a distribution to a Terminated Participant even if you are not yet eligible for a distribution because you are still an active Participant.

If you are in the process of a divorce or other domestic relations proceeding and would like more information about QDROs or a sample form to give to your attorney, contact the General Board.

Non-Alienation of Benefits

No benefits payable at any time under CRSP will be subject in any manner to alienation, sale, transfer, pledge, attachment or garnishment. Any attempt to alienate, sell, transfer, assign or pledge will be considered void except:

- as assigned under a QDRO;
- as provided in a levy in favor of the IRS to the extent required by IRS regulations;
- to the extent required under the Mandatory Victims Restitution Act of 1996 (18 U.S.C. §3663A);
- for the payment of retiree or Disabled Participant health plan premiums;
- to the extent that such Account-holder, recipient or other person has received an overpayment under any other plan administered by the Administrator; and
- to the extent that such Account-holder, recipient or other person has made a voluntary and revocable assignment:
 - in a writing filed with, and accepted by, the Administrator;
 - that is acceptable to the Administrator in its sole discretion; and
 - after such assigned benefit is due and payable under the terms of the Program, including the making of any elections and submission of any applications required of the Account-holder, recipient or other person.

Benefits While on Military Leave

Contributions, benefits and Service credit with respect to qualified military service will be provided in accordance with Code section 414(u), which reflects provisions of USERRA and the Heroes Earnings Assistance & Relief Tax (HEART) Act of 2008. If you have had a period of military service during your employment, contact your Plan Sponsor or the General Board to learn whether you qualify for additional Service credit and the right to receive Plan Sponsor Contributions relating to the period of your military service.

How Unclaimed, Relinquished or Disclaimed Benefits Can Be Delayed or Forfeited

You are entitled to the value of your benefits. These benefits are payable to you except in the following circumstances:

- If you do not notify the General Board when your (or your Beneficiary's or survivor annuitant's) address changes, and we cannot locate you when benefits are due (for instance, at the Required Beginning Date), we will send a notice by certified letter with return receipt requested to the last address we have on file for you. If you fail to contact us within 12 months after we send the notice, you will forfeit your benefits and they will become the benefits of your Beneficiary (including any Default Beneficiary). If your Beneficiary or Beneficiaries fail to contact the General Board within 12 additional months after notification, your benefits will be forfeited and used by the General Board to defray the administrative expenses of CRSP.
- If the General Board issues a check for benefits that is not returned or cashed within a reasonable period of time, you will forfeit the amount of the check, and the General Board will use that amount to defray the administrative expenses of CRSP. Uncashed checks returned to the General Board because the payee is missing or for other reasons are handled as described in the previous paragraph.
- If you relinquish (i.e., permanently renounce) your benefits, you will forfeit them, and the General Board will use them to defray the administrative expenses of CRSP.
- If you Disclaim all or any portion of a benefit that is due, provided that the disclaimer is in writing in a form acceptable to the General Board before receiving the benefit, you will be treated as having predeceased the Participant enrolled in CRSP, and the death benefit will be paid to the next Beneficiary in line.
- If you die before starting your Defined Benefit monthly payments and you leave no surviving Spouse, no Defined Benefits will be payable to anyone.
- If you are receiving a monthly benefit and you die, leaving no survivor entitled to a continuing monthly benefit (based on your form of payment), or such survivor cannot be located, then further monthly benefits will be forfeited.

Please keep the General Board apprised of your current address and phone number, even after you Retire or incur a Termination of Conference Relationship. If we do not have a current address for you, you risk forfeiting your account.

Non-Reversion

All Contributions made by Plan Sponsors are irrevocable and cannot be repaid to Plan Sponsors, except in the following situations:

- If CRSP terminates, and there are monies remaining after the satisfaction of all fixed and contingent liabilities under CRSP, the monies will revert to the applicable Plan Sponsor.
- If a Plan Sponsor makes a Contribution by mistake, the Plan Sponsor may request its return by sending a written request to the General Board within one year after the Contribution was made along with documentation of the mistake. Any Plan Sponsor Contributions remitted by mistake are forfeited to the General Board after one year for administrative expenses.
- If the IRS determines that CRSP is not qualified under Code section 403(b) or makes some other determination that the General Board believes makes CRSP unworkable (provided the General Board does not succeed in challenging that determination), CRSP may terminate, and all Contributions (adjusted for any gains or losses) may be returned to the Plan Sponsors.

Ineligible Contributions

If a Contribution is made for you but you are not eligible to participate in CRSP and the Plan Sponsor sends a written request for its return within one year after the Contribution is made, the Contribution (adjusted for any gains and losses) will be refunded to the Plan Sponsor. Any Plan Sponsor Contributions remitted by mistake are forfeited to the General Board after one year for administrative expenses. (See the “Non-Reversion” section above.)

Bankruptcy and Your CRSP Benefits

Under a revision to the Bankruptcy Code applicable to anyone who files bankruptcy on or after October 17, 2005, your entire Account in a qualified plan, such as this 403(b) plan, is exempt from the claims of creditors in bankruptcy.

If CRSP Is Terminated or Modified

The General Conference of The United Methodist Church reserves the right to terminate, suspend or modify CRSP at any time, prospectively or retroactively. Also, the Board of Directors of the General Board is authorized to amend CRSP when changes in the law or *The Book of Discipline* require it. If the General Conference terminates CRSP, your Account will remain fully vested and will either remain in CRSP or be distributed according to the provisions of CRSP.

Plan Administrator

CRSP is administered by the General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois, and any successors. The plan administrator may be reached at the following address and phone number:

1901 Chestnut Avenue
Glenview, Illinois 60025-1604
1-800-851-2201

In its role as plan administrator, the General Board keeps records for CRSP and is responsible for its administration in accordance with its terms. The plan administrator has the authority to interpret the terms of CRSP and make determinations on questions that may affect your eligibility for benefits and benefit amounts in its sole discretion.

CRSP Name, Plan Type and Plan Year

The name of this plan is the Clergy Retirement Security Program (CRSP). CRSP is a program of one or more church-sponsored retirement income accounts within the meaning of Code section 403(b)(9), with the Defined Benefit portion of CRSP and the portions of its supplements that are paying annuities being Defined Benefit plans as that term is defined in Code §414(j). All other portions of CRSP are Defined Contribution plans as that term is defined in Code §414(i).

CRSP also is intended to be a multiple-employer plan involving more than one Plan Sponsor, except for certain purposes. CRSP is intended to meet the requirements of a “Church Plan” under Code section 414(e) and to be exempt under the Employee Retirement Income Security Act (ERISA) section 4(b) and Code section 410(d) to the extent permitted under those provisions and other applicable laws. CRSP is administered on a plan-year basis, beginning on January 1 of each year and ending on December 31 of that same year.

Special Securities Laws

CRSP is a Church Plan that is not subject to registration, regulation or reporting under the Investment Company Act of 1940, the Securities Act of 1933, the Securities Exchange Act of 1934, Title 15 of the United States Code or state securities laws. Similarly, the administrator and the trustee of CRSP and the entities maintaining any investment funds under CRSP are not subject to those provisions of those acts or laws. Therefore, Participants enrolled in CRSP and their Beneficiaries will not be afforded the protection of those provisions.

Agent for Service of Legal Process

Any legal process related to CRSP should be served on the following corporation:

CT Corporation
208 South LaSalle Street, Suite 814
Chicago, Illinois 60604

CRSP Trustee

All CRSP assets are held in a trust, called the Pension Trust of The United Methodist Church, which is qualified under sections 501(a) and/or 501(c)(3) of the Code, or they may be held in one or more other trusts or insurance contracts. The trustee pays all CRSP benefits from the trust. The trustee for CRSP is the UMC Benefit Board, Inc., and any successors. The trustee can be reached at the following address:

1901 Chestnut Avenue
Glenview, Illinois 60025-1604

Glossary

Account means the aggregate of the separate record-keeping entries maintained by the General Board for the purpose of recording the Contributions made to CRSP for your benefit. Any reference to your “Accounts” refers to all of the Accounts maintained in your name under CRSP, unless the context otherwise requires.

Accounting Date means the last business day of each calendar year and each other date upon which Contributions to, distributions from, or transfers to or from account balances are made or upon which account balances are adjusted.

Accrued Benefit or Accrued Retirement Benefit means the Defined Benefit plan monthly benefit formula amount earned and payable in the normal form of benefit at your Normal Retirement Date or such date as of which it is computed.

Adoption Agreement means the agreement executed by each Conference or GCFA and accepted by the General Board that is the means by which a Conference or GCFA adopts CRSP and becomes a Plan Sponsor.

Alternate Payee means your Spouse, former Spouse, child or other dependent entitled to receive a portion of your Accrued Benefit or Account under a qualified domestic relations order (QDRO).

Application for Benefits means the form you or your Beneficiary complete in order to apply for benefits or to receive a distribution from your CRSP Account.

Beneficiary means the person(s) (including an estate) to whom the General Board will pay your CRSP Defined Contribution, MPP or Pre-82 Plan service annuity accounts if you die before receiving a distribution of your entire Account. (See also the definitions of “Designated Beneficiary” and “Default Beneficiary.”)

Beneficiary Designation Form means the form on which you specify your Designated Beneficiary for acceptance by the General Board.

Break in Service means a period of time beginning on the day you terminate Conference relationship or Retire, and ending (if at all) on the day you are reinstated into the effective Conference relationship and are under Episcopal appointment. Taking a leave of absence or becoming Disabled does not begin a Break in Service.

The Book of Discipline means the body of church law established by the General Conference of The United Methodist Church, as amended from time to time.

Church Plan means a plan qualifying under Code §414(e) or ERISA §3(33) that has not made an election under Code §410(d).

Clergy or Clergy person means a person who is:

- a bishop elected by a jurisdictional Conference;
- an elder or deacon in full connection, a provisional member or an associate member of a Conference;
- a full-time, part-time or student local pastor (as defined in *The Book of Discipline*);
- a Clergy person of another denomination who is under Episcopal appointment within a Conference pursuant to ¶346.2 and ¶346.3 of *The Book of Discipline*, provided such person is not participating in a pension program of the denomination to which he or she belongs; or
- a Puerto Rico bishop or another Clergy person of the Puerto Rico Methodist Church appointed to a charge by a Puerto Rico bishop in accordance with the rules and procedures of the Puerto Rico Methodist Church, provided that such Puerto Rico bishop or Clergy person is not participating in a similar pension program of the Puerto Rico Methodist Church.

Code means the Internal Revenue Code of 1986, as amended from time to time.

Compensation means the sum of the following amounts:

- your 415 Compensation (including, in the case of a self-employed Clergy person, such Clergy person's 415 Compensation earned in the course of such self-employment);
- cash received from a Plan Sponsor or a Salary-Paying Unit and excluded from taxable cash salary pursuant to Code §107(2); and
- when a parsonage is provided to you as part of your compensation, 25% of the sum of your 415 Compensation and cash excluded from taxable cash salary pursuant to Code §107(2).

Comprehensive Protection Plan (CPP) is a Church welfare benefits plan for Clergy associated with a jurisdictional Conference of The United Methodist Church, as amended from time to time.

Conference means your annual conference, provisional annual conference or missionary conference that is described in *The Book of Discipline* and is located in a jurisdictional conference or the Puerto Rico Methodist Church.

Contingent Annuitant means the person you name to receive the survivor portion of a contingent annuity. Such person may be your Spouse or another person. However, an Alternate Payee may not designate his or her spouse.

Contribution means an amount contributed to CRSP by a Conference for funding the benefits provided by CRSP. A Contribution may be made on behalf of a Plan Sponsor by CPP or another source or entity as long as the amount contributed is clearly being paid on behalf of the relevant Conference.

CPP Disabled or CPP Disability means receiving disability benefits under CPP or having a condition that would entitle you to disability benefits under CPP, as determined by the General Board.

Credited Service means Service rendered on or after January 1, 2007 (September 1, 2008 for bishops) that counts toward the computation of your Accrued Benefit, measured in one-day increments. Service rendered before the Effective Date does not count as Credited Service.

Default Beneficiary means the person(s) (including an estate) to whom benefits are payable at your death or disappearance when there is no Designated Beneficiary or when CRSP otherwise provides.

Defined Benefit means the component of CRSP in which a Retired Participant, his or her surviving Spouse or a Terminated Participant (at age 62) can receive a specific monthly benefit based on the final DAC and Years of Credited Service.

Defined Contribution means an account, including CRSP Defined Contribution (CRSP DC), Retirement Security Program for General Agencies (RPGA), United Methodist Personal Investment Plan (UMPIP) and Horizon 401(k) Plan (Horizon), for which you may select the investment of the account balance and/or future contributions among several of the General Board's funds.

CRSP DC is the component of CRSP to which the Conference or Plan Sponsor contributes 3% of your Compensation on your behalf. Upon Retirement, the benefit is determined by how much was contributed over the years, plus whatever earnings the Contributions accumulated or minus any losses they incurred.

Denominational Average Compensation (DAC) means the average annual Compensation of Participants in CPP and/or Participants in CRSP, who, in either case, are currently receiving Compensation as full-time Clergypersons determined in accordance with procedures established by the General Board.

Designated Beneficiary means:

- the person(s) (including a trust or other entity) you designate who is receiving or entitled to receive a benefit under CRSP; or
- the person(s) (including a trust or other entity) you designate who is entitled to receive a benefit under CRSP following your death or disappearance.

Disabled or Disability means:

- determined to be disabled by the Social Security Administration; or
- receiving long-term disability benefits under the terms of CPP or another long-term disability benefit plan provided by your Plan Sponsor.

Disclaim means to refuse or waive a benefit before receiving it, such that it passes to another person under the terms of CRSP, such as a successor Beneficiary.

Early Retirement Age means the age or Service completion date specified in ¶358.2b of *The Book of Discipline*; or, for a person who Retires in accordance with ¶358.2a, ¶358.3, ¶408.2, or ¶408.3 of *The Book of Discipline* or who is a Terminated Participant age 62 or older.

Early Retirement Date means the first day of the month coinciding with or next following the later of:

- the date on which you attain your Early Retirement Age; or
- in the case of a:
 - Participant (other than a bishop): the date on which you Retire; or
 - Terminated Participant: the date on which you incur a Termination of Conference Relationship or a five-year no record of appointment, provided that such date is before your Normal Retirement Date; or
 - Participant who is a bishop, the date specified in ¶408.2 or ¶408.3 of *The Book of Discipline*.

Effective Date means CRSP is generally effective on January 1, 2007; for bishops, the Effective Date is generally September 1, 2008.

Eligible Rollover Distribution means any distribution of all or any portion of your Account—except for:

- any distribution that is one of a series of substantially equal periodic payments made (not less frequently than annually) for your life (or life expectancy) or the joint lives (or joint life expectancies) of you and your Designated Beneficiary, or for a specified period of 10 or more years;
- any distribution that is required under Code section 401(a)(9) (relating to Required Minimum Distributions);
- any hardship withdrawal distribution described in Code section 401(k)(2)(B)(i)(IV); or
- any other excluded distribution described in Code section 402(c)(4).

Final DAC is the greater of:

- the DAC for the year in which you earned your last Credited Service, or

- the DAC for the year in which you last served an appointment to any United Methodist Church-related entity that was eligible to participate in a Church Plan.

415 Compensation means all amounts paid or made available by a Plan Sponsor or Salary-Paying Unit to you in a limitation year, including:

- your wages, salaries, fees for professional services and other amounts received (regardless of whether an amount is paid in cash for personal services actually rendered in the course of employment with the Plan Sponsor) to the extent that the amounts are includable in your gross income—including, but not limited to, bonuses, fringe benefits and reimbursements, or other expense allowances under a nonaccountable plan [as described in Treasury Regulations section 1.62-2(c)], but excluding severance pay that would not have been paid but for a severance from employment;
- amounts received in connection with an accident or sickness and described in Code sections 104(a)(3), 105(a) and 105(h), but only to the extent that these amounts are includable in your gross income;
- amounts paid or reimbursed by the Plan Sponsor or Salary-Paying Unit for moving expenses you incurred, but only to the extent that at the time of the payment it is reasonable to believe that these amounts are not deductible;
- amounts relating to before-tax elective Contributions made from your Compensation (see the definition of “Compensation”); and
- foreign earned income [as defined in Code section 911(b)].

General Board means the General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois.

Incapacity Leave means a Conference relationship specified in ¶357 of *The Book of Discipline*.

In Pay Status means receiving a periodic pension benefit under CRSP.

IRA means an individual retirement account or annuity qualified under Code §408 (other than an endowment contract).

Late Retirement Date means the first day of the month coinciding with or next following:

- in the case of a Participant, your actual Retirement date after having reached your Normal Retirement Date, but not later than the mandatory Retirement date specified in ¶358.1 of *The Book of Discipline* (if applicable); or
- in the case of a Terminated Participant, the date of the General Board’s acceptance of your *Application for Benefits* form after having reached your Normal Retirement Date, but not later than your Required Beginning Date.

LifeStage refers to an investment management service that allocates your accounts among General Board investment funds.

Limitation Year means the 12-month period used by CRSP for the purpose of applying the limitations of Code section 415, which is the same as the calendar year.

Ministerial Pension Plan (MPP) means the predecessor plan to CRSP, in effect from 1982 through 2006 (and through August 31, 2008 for bishops).

Normal Retirement Date means:

- In the case of a Participant (other than a bishop), the first day of the month coinciding with or next following the earlier of:
 - - your 65th birthday, or
 - - the date on which you attain 40 years of Service under ¶358.2c of *The Book of Discipline*.
- In the case of a Terminated Participant, the first day of the month coinciding with or next following your 65th birthday.
- In the case of a Participant who is a bishop, the first day of the month next following the date specified in ¶408.1 of *The Book of Discipline*.

Participant means a Clergy person who:

- has become eligible to participate in CRSP,
- has been enrolled in CRSP, and
- is either an active Participant or a Retired Participant.

Participant-Directed Account is a portion of MPP over which you were given investment control if you were age 61 prior to December 31, 2005.

Plan Sponsor means:

- a Conference for any eligible Clergy under Episcopal appointment serving that Conference, a Conference-responsible unit or a Conference-controlled entity;
- the Puerto Rico Methodist Church for any Puerto Rico bishop or eligible Clergy under Episcopal appointment serving the Puerto Rico Methodist Church; or
- GCFA for any eligible Clergy who are bishops, effective September 1, 2008.

Required Beginning Date is April 1 of the calendar year following the later of:

- the calendar year in which you Retire or incur a Termination of Conference Relationship, or
- the calendar year in which you attain age 70½.

Required Minimum Distribution means the amount that must be distributed from your Retirement Accounts by April 1 following the year in which you reach age 70½. Required Minimum Distribution amounts must then be distributed each subsequent year.

Retire or Retirement means:

- in the case of a Participant (other than a bishop), to be placed in the Retired relationship in accordance with ¶358 of *The Book of Discipline* or the condition of being in the Retired relationship;
- in the case of a Terminated Participant, applying for a distribution on or after your 62nd birthday; or
- in the case of a Participant who is a bishop, to have the status of a retired bishop in accordance with ¶408.1, ¶408.2, or ¶408.3 of *The Book of Discipline*.

Retirement Date means the date on which you Retire.

Salary-Paying Unit means any one of the following associated with The United Methodist Church:

- Commission on the General Conference,
- a general agency,
- a jurisdictional Conference,
- a Conference,
- a Conference board, agency or commission,
- a local church located in a Conference, or
- any other entity to which a Clergy person under Episcopal appointment is appointed.

Service means a period of time during which you are a Clergy person who is:

- an active member of any Conference (within the meaning of ¶602 of *The Book of Discipline*) under Episcopal appointment,
- under Episcopal appointment within the Puerto Rico Methodist Church,
- a Puerto Rico bishop, and/or
- a bishop elected by a jurisdictional Conference.

70% Pre-Retirement Survivor Benefit means a monthly benefit payable from the Defined Benefit component of CRSP to your surviving Spouse if you died before beginning your Retirement benefit that is:

- in the case of a deceased Participant, 70% of your Accrued Benefit, or
- in the case of a deceased Terminated Participant, 70% of the actuarial equivalent of your normal form of benefit (“life only” annuity with a 0% annual increase) converted to a 70% contingent annuity benefit.

Spouse means your husband or wife or surviving husband or wife who is legally married to you or was legally married to you on the date of your death, under the laws of the jurisdiction where you reside or resided. The term “Spouse” will not include common-law spouses, even in states that recognize common-law marriage.

Termination of Conference Relationship occurs when you cease to be a member of any Conference, including by reason of:

- being honorably located within the meaning of ¶359 of *The Book of Discipline*,
- your withdrawal within the meaning of ¶360 of *The Book of Discipline*,
- the surrender of your ministerial credentials within the meaning of ¶360.2 and ¶2719.2 of *The Book of Discipline*, or
- the surrender of your local pastor’s license within the meaning of ¶320.1 of *The Book of Discipline*.

Terminated Participant means a person who has been a Participant but who has incurred a Termination of Conference Relationship or a five-year no record of appointment.

Year of Credited Service means Credited Service earned while serving a full-time appointment for a 12-month period (or the sum of equivalent partial periods of Credited Service measured by days).





GENERAL BOARD OF PENSION AND HEALTH BENEFITS
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