

## **Adoption Agreement for Conference Sponsorship of Clergy**

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### United Methodist Personal Investment Plan (UMPIP)

#### **INFORMATION**

This form should be used by United Methodist Conferences to sponsor UMPIP for Clergy Under Episcopal Appointment to:

- a Local Church or Pastoral Charge located in the Conference,
- the Conference,
- a Conference-Responsible Unit [as provided in paragraph 344.1(a)(1) of *The Book of Discipline 2016*] located within the Conference,
- a Conference-Elective Entity approved by the Conference,

or Clergypersons entitled to UMPIP benefits under USERRA who last served the Conference.

Call Wespath at **1-800-851-2201** to request an Adoption Agreement consultation with the Retirement Services team.

This Adoption Agreement should be reviewed and completed in conjunction with the *UMPIP Plan Document*. Capitalized terms in this Adoption Agreement have the meanings as defined in the *UMPIP Plan Document*.

Read the Instructions and complete all parts of the Adoption Agreement.

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#### **INSTRUCTIONS**

##### **Part 1 – Plan Sponsor Information**

Provide all the information requested in Part 1 of the Adoption Agreement.

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##### **Part 2 – Participant Contributions**

**2.1 Sponsorship for Participant Contributions.** Conferences may elect to sponsor UMPIP for Participant Contributions for all Clergy Employees covered under this Adoption Agreement as described in the first paragraph of the Information section above. If a Conference elects to sponsor UMPIP for Participant Contributions in Part 2.1, all Clergy Employees covered under this Adoption Agreement are eligible to make Before-Tax, Roth and/or After-Tax Contributions to UMPIP by payroll deduction as of their appointment date. If the Conference elects not to sponsor UMPIP for Participant Contributions, check the “No” box in Part 2.1 and **skip to Part 3**.

**2.2 Contribution Remittance.** Conferences electing to sponsor UMPIP for Participant Contributions may elect to remit those contributions or delegate remittance to the Salary-Paying Units.

**2.3 Automatic Enrollment.** This feature allows Plan Sponsors to automatically enroll Employees at a rate of Before-Tax Contributions chosen by the Plan Sponsor. Plan Sponsors may elect from the following choices which group of Employees will be subject to Automatic Enrollment:

- Option 1:** All Employees eligible for Plan participation, except those who are making After-Tax or Roth Contributions, or who have an existing Before-Tax Contribution election as of the effective date of Automatic Enrollment at a Contribution Rate that is higher than the Contribution Rate selected by the Plan Sponsor. This option also includes individuals who become eligible for Plan participation on or after the effective date of Automatic Enrollment.

**Option 2:** All Employees eligible for Plan participation who are not making Participant Contributions as of the effective date of Automatic Enrollment, including individuals who become eligible for Plan participation on or after the effective date of Automatic Enrollment.

**Option 3:** All Employees who become eligible for Plan participation on or after the effective date of Automatic Enrollment.

If the Plan Sponsor chooses this feature, Employees who may be automatically enrolled must be given an *Initial Automatic Enrollment Notice*\* and *Contribution Election*\* form on their hire date. See the *Instructions for Furnishing Initial Automatic Enrollment Notice*\* for information on how to provide this notice to Employees. Also see the *Initial Automatic Enrollment Notice* for situations for which Automatic Enrollment will not apply. The *Contribution Election* form should be provided to Employees with the *Initial Automatic Enrollment Notice* so Employees have the opportunity to make elections that differ from those that would apply under Automatic Enrollment.

Plan Sponsors adopting Automatic Enrollment must elect this feature for all of their UMPIP Adoption Agreements. For example, if an organization is the UMPIP Plan Sponsor for Appointed Clergy and Lay Employees, the election to adopt Automatic Enrollment must be made for both groups of Employees on the applicable Adoption Agreements. Contact Wespath for more information about Automatic Enrollment.

**2.4 Automatic Contribution Escalation.** Plan Sponsors that adopt Automatic Enrollment in Part 2.3 of this Adoption Agreement may also choose to adopt Automatic Contribution Escalation. Under this feature, the rate of Participants' Before-Tax Contributions may increase every year by a chosen percentage, up to a maximum percentage, in a certain month of the year, all of which are selected by the Plan Sponsor. Escalation of Participant Contributions will occur whether the Participant was making Before-Tax Contributions under Automatic Enrollment or by affirmatively completing a *Contribution Election* form. Participants may opt out of Automatic Contribution Escalation, or opt back into it, at any time by completing and submitting a *Contribution Election* form. See the *Initial Automatic Enrollment Notice* for information on which Employees are eligible for Automatic Contribution Escalation and situations for which Automatic Contribution Escalation will not apply.

Plan Sponsors adopting Automatic Enrollment and Automatic Contribution Escalation must elect these features for all of their UMPIP Adoption Agreements. Contact Wespath for more information about Automatic Contribution Escalation.

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## Part 3 – Plan Sponsor Contributions

**3.1 Sponsorship for Plan Sponsor Contributions.** A Conference may choose to sponsor UMPIP for Plan Sponsor Contributions for all or some Clergy Employees covered under this Adoption Agreement based on Appointment percentages as elected in Part 3.3. If the Conference elects to make Plan Sponsor Contributions, the Conference must remit those contributions. If the Conference elects not to make Plan Sponsor Contributions, check the “No” box in Part 3.1 and **skip to Part 4**.

**3.2 Eligibility – Medical Leave/CPP.** Plan Sponsors may choose whether to provide Plan Sponsor Contributions for Clergy Employees in the categories listed.

**3.3 Eligible Group and Contribution Type.** Specify which Clergy Employees will be eligible to receive Plan Sponsor Contributions based on Appointment Percentage(s). For each Appointment percentage chosen, choose one or more Plan Sponsor Contribution formulas.

- **Matching.** The Plan Sponsor contributes a specified percentage of Participant Contributions up to a specified percentage of Compensation.
  - **Example #1:** The Plan Sponsor contributes 25% of Participant Contributions up to 4% of the Participant's Compensation (maximum Matching Contribution is 1% of the Participant's Compensation)
  - **Example #2:** The Plan Sponsor contributes 100% of Participant Contributions up to 3% of the Participant's Compensation (maximum Matching Contribution is 3% of the Participant's Compensation)
  - **Example #3:** The Plan Sponsor contributes 200% of Participant Contributions up to 2% of the Participant's Compensation (maximum Matching Contribution is 4% of the Participant's Compensation)
- **Non-matching.** The Plan Sponsor contributes a specified percentage of the Participant's Compensation. The Participant is not required to contribute to UMPIP to receive this contribution.

\*Available at wespath.org.

- **Conditional.** The Plan Sponsor contributes a specified percentage of the Participant's Compensation if the Participant contributes a minimum specified contribution percentage. The minimum specified Participant contribution percentage cannot exceed 4% of Compensation.
  - **Example #1:** The Plan Sponsor contributes 6% of the Participant's Compensation if the Participant contributes at least 3% of Compensation
  - **Example #2:** The Plan Sponsor contributes 4% of the Participant's Compensation if the Participant contributes at least 4% of Compensation
- **Discretionary.** By checking this box, the Plan Sponsor reserves the right to make a Discretionary Contribution for the current year or any future year(s). The Plan Sponsor must complete an *Addendum to Adoption Agreement: Discretionary Contribution Election Form for Clergy* (Addendum) to make a Discretionary Contribution. Contact Wespath to obtain an Addendum.

The Discretionary Contribution must be declared by submitting a completed Addendum no later than May 1 following the year for which the contribution is to be made. The Plan Sponsor may specify on the Addendum that the Discretionary Contribution will be made either for only one year, or indefinitely until the Addendum is amended or the Adoption Agreement is amended to eliminate Discretionary Contributions. If the Discretionary Contributions are made for only one year, a new Addendum must be submitted for each subsequent year in which the Plan Sponsor elects to make Discretionary Contributions.

The Plan Sponsor must calculate the Discretionary Contribution for each eligible Participant and supply the data electronically following Wespath procedures. Discretionary Contributions must be remitted no later than June 15 following the year for which the contribution is to be made.

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#### **Part 4 – Plan Sponsor Acknowledgements**

This section outlines the Plan Sponsor's responsibilities related to UMPIP, and acknowledges the Plan Sponsor's agreement with the terms upon execution of the Adoption Agreement.

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#### **Part 5 – Effective Date**

This is the effective date that the Plan Sponsor chooses to sponsor UMPIP or the effective date of an amendment to the Plan Sponsor's agreement. Generally, the effective date must be the first of a month on or after the authorized representative of the Plan Sponsor signs and dates the Adoption Agreement in Part 6.

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#### **Part 6 – Adoption**

An authorized representative of the Plan Sponsor must execute the Adoption Agreement.

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#### **Part 7 – Wespath Signatures**

By signing the Adoption Agreement in Part 7, Wespath signifies acceptance of the Plan Sponsor's completed Adoption Agreement and the Plan Sponsor's sponsorship or continued sponsorship of UMPIP. A signed copy of the Adoption Agreement will be sent for the Conference's records.

## **Adoption Agreement for Conference Sponsorship of Clergy**

### United Methodist Personal Investment Plan (UMPIP)

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#### **Part 1 – Plan Sponsor Information**

1.1 Conference \_\_\_\_\_

1.2 Conference # \_\_\_\_\_ Employer # 3 3 5 \_\_\_\_\_

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#### **Part 2 – Participant Contributions**

##### **2.1 Sponsorship for Participant Contributions** (choose one):

- Yes
- No (**skip to Part 3**)

##### **2.2 Contribution Remittance** (choose one):

- Remit contributions
- Delegate remittance to the Salary-Paying Units

##### **2.3 Automatic Enrollment** (choose one):

- Yes at \_\_\_\_% (enter 1% or greater in whole numbers) of Compensation on a Before-Tax basis

Select covered Participants (choose one—see Instructions):

- Future Employees, and Existing Employees except those making:
  - Before-Tax Contributions at a rate higher than the Contribution Rate selected above, or
  - After-Tax or Roth Contributions
- Future Employees, and Existing Employees who are not making Participant Contributions
- Future Employees

- No (**skip to Part 3**)

##### **2.4 Automatic Contribution Escalation** (choose one):

- Yes at \_\_\_\_% (enter 1% or greater in whole numbers) each \_\_\_\_\_ 1<sup>st</sup> (enter month of increase) up to a maximum of \_\_\_\_% (enter 1% or greater in whole numbers), unless the Participant elects not to have Automatic Contribution Escalation apply to his or her Before-Tax Contributions.

Year of first Automatic Contribution Escalation (choose one):

- Year in which Automatic Contribution Escalation is adopted
- Year following the year in which Automatic Contribution Escalation is adopted
- No

**Part 3 – Plan Sponsor Contributions**

**3.1 Sponsorship for Plan Sponsor Contributions** (choose one):

- Yes
- No (skip to Part 4)

**3.2 Eligibility – Medical Leave/ CPP**

Participants on Medical Leave receiving Comprehensive Protection Plan (CPP) disability benefits (choose one):

- Yes
- No

Participants on Medical Leave but *not* receiving CPP disability benefits (choose one):

- Yes
- No

**3.3 Eligible Group and Contribution Type** [indicate choice(s) below]:

**3.3a**  **Clergy Appointed full-time**

<input type="checkbox"/> <b>Matching</b>	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
_____% (1% or greater) of Participant Contributions up to ____% (1% or greater) of Compensation, with a maximum match of ____% of Compensation	_____% (1% or greater) of Compensation	_____% (1% or greater) of Compensation if the Participant contributes at least ____% (1% to 4%) of Compensation	Complete an Addendum to make a Discretionary Contribution

**3.3b**  **Clergy Appointed to ANY less-than-full-time Appointment**

(If you make an election in 3.3b, skip to Part 4)

<input type="checkbox"/> <b>Matching</b>	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
_____% (1% or greater) of Participant Contributions up to ____% (1% or greater) of Compensation, with a maximum match of ____% of Compensation	_____% (1% or greater) of Compensation	_____% (1% or greater) of Compensation if the Participant contributes at least ____% (1% to 4%) of Compensation	Complete an Addendum to make a Discretionary Contribution

**3.3c**  **Clergy Appointed three-quarter time**

<input type="checkbox"/> <b>Matching</b>	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
_____% (1% or greater) of Participant Contributions up to ____% (1% or greater) of Compensation, with a maximum match of ____% of Compensation	_____% (1% or greater) of Compensation	_____% (1% or greater) of Compensation if the Participant contributes at least ____% (1% to 4%) of Compensation	Complete an Addendum to make a Discretionary Contribution

**3.3d**     **Clergy Appointed half-time**

<input type="checkbox"/> <b>Matching</b>	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
_____ % (1% or greater) of Participant Contributions up to _____ % (1% or greater) of Compensation, with a maximum match of _____ % of Compensation	_____ % (1% or greater) of Compensation	_____ % (1% or greater) of Compensation if the Participant contributes at least _____ % (1% to 4%) of Compensation	Complete an Addendum to make a Discretionary Contribution

**3.3e**     **Clergy Appointed one-quarter time**

<input type="checkbox"/> <b>Matching</b>	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
_____ % (1% or greater) of Participant Contributions up to _____ % (1% or greater) of Compensation, with a maximum match of _____ % of Compensation	_____ % (1% or greater) of Compensation	_____ % (1% or greater) of Compensation if the Participant contributes at least _____ % (1% to 4%) of Compensation	Complete an Addendum to make a Discretionary Contribution

**3.3f**     **Clergy Appointed less than one-quarter time**

<input type="checkbox"/> <b>Matching</b>	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
_____ % (1% or greater) of Participant Contributions up to _____ % (1% or greater) of Compensation, with a maximum match of _____ % of Compensation	_____ % (1% or greater) of Compensation	_____ % (1% or greater) of Compensation if the Participant contributes at least _____ % (1% to 4%) of Compensation	Complete an Addendum to make a Discretionary Contribution

**Part 4 – Plan Sponsor Acknowledgements**

By executing this Adoption Agreement, the Plan Sponsor hereby acknowledges, understands and agrees that:

- 4.1**    Upon acceptance of this Adoption Agreement by Wespath, the employer will become a Plan Sponsor as defined in UMPIP.
- 4.2**    The Plan Sponsor agrees to and will comply with the terms of UMPIP, as amended periodically, and the rules, regulations and procedures promulgated by Wespath, or its successors.
- 4.3**    If UMPIP is amended in accordance with its amendment provisions, Wespath may (but need not) require the Plan Sponsor to execute a new Adoption Agreement.
- 4.4**    Wespath will disclose to the Plan Sponsor all UMPIP investment options and fees, and Plan Sponsor agrees to such options and fees.
- 4.5**    Wespath does not provide legal or tax advice to the Plan Sponsor or Plan Participants.
- 4.6**    UMPIP is a Church Plan that is not subject to ERISA, including requirements such as the filing of annual reports and various reporting and bonding requirements.

- 4.7 Both Wespath and the General Conference of The United Methodist Church have the right to terminate UMPIP, or a Plan Sponsor's sponsorship of UMPIP, at any time in accordance with the UMPIP provisions.
- 4.8 Wespath has the right to terminate the Plan Sponsor's Adoption Agreement if the Plan Sponsor fails to satisfy its responsibilities under UMPIP.
- 4.9 In the event of any discrepancies between this Adoption Agreement and the *UMPIP Plan Document*, the *UMPIP Plan Document* will control.
- 4.10 The Plan Sponsor may freeze or terminate its sponsorship of UMPIP as of a specified date after giving at least 90 days advance written notice to Wespath and at least 30 days written notice to its Participants of its intent to freeze or terminate.
- 4.11 The Plan Sponsor will enroll Employees in UMPIP upon their election to make Participant Contributions and/or their satisfaction of the applicable Plan Sponsor Contribution eligibility requirements.
- 4.12 A Plan Sponsor that elects Automatic Enrollment will furnish an *Automatic Enrollment Notice* to individuals within a reasonable period of time before deducting Participant Contributions from Compensation to provide such individuals with time to change their contributions or opt out.
- 4.13 The Plan Sponsor will provide accurate data relevant to plan administration to Wespath in a timely manner.
- 4.14 The Plan Sponsor will limit the total of Before-Tax and Roth Contributions to UMPIP (and any other 403(b) plans sponsored by the Conference) to the annual dollar limit under Internal Revenue Code (Code) section 402(g), and total Contributions to UMPIP to the lesser of the annual dollar limit under Code section 415 or 100% of Code section 415 Compensation (generally taxable compensation plus before-tax salary deferrals, but not including housing allowance or parsonage).
- 4.15 The Plan Sponsor will remit Contributions to Wespath in a timely manner as required by UMPIP. Late Contributions may require payment of investment earnings and fees as specified in UMPIP and applicable procedures.

**Part 5 – Effective Date**

5.1  **Initial Agreement.** The Plan Sponsor agrees to adopt UMPIP as of \_\_\_\_\_ 1, 20\_\_\_\_.

5.2  **Amendment of Agreement.** The Plan Sponsor agrees to amend UMPIP as of \_\_\_\_\_ 1, 20\_\_\_\_.

**Part 6 – Adoption**

The undersigned, on behalf of the Plan Sponsor named in Part 1.1, hereby declares a desire to sponsor UMPIP or continue sponsorship in an amended UMPIP (as reflected in this Adoption Agreement) and hereby certifies that the appropriate governing board and/or officers have authorized the Plan Sponsor's sponsorship or continued sponsorship in UMPIP as of the effective date indicated in Part 5. The Plan Sponsor agrees to the terms and conditions of this Adoption Agreement, its instructions, and the *UMPIP Plan Document*, which are incorporated herein by reference. If there is any conflict between these documents, the terms of the *UMPIP Plan Document* will control.

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Print name of signatory \_\_\_\_\_ Title \_\_\_\_\_

**Part 7 – Wespath Signatures**

Wespath hereby accepts this Adoption Agreement submitted by the employer named in Part 1.1, and accepts that employer as one of the adopters and Plan Sponsors of UMPIP as of the effective date noted in Part 5.

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Print name and title \_\_\_\_\_

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Print name and title \_\_\_\_\_

If you are **NOT** completing this document online, please complete it and return to Wespath by one of the following methods:

- E-mail (scanned copy) to [psmteam@wespath.org](mailto:psmteam@wespath.org), or
- Fax to **1-847-866-4894** or
- Mail to Wespath  
Plan Sponsor Management Team  
1901 Chestnut Avenue, Glenview, IL 60025

Be sure to keep a copy for your records.