Wespath



SUMMARY PLAN DESCRIPTION

Comprehensive Protection Plan

Effective January 1, 2026

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Comprehensive Protection Plan

Welcome

Wespath has prepared this *Summary Plan Description* (SPD) to help you understand your disability and death benefit coverage and the terms of the benefits under the Comprehensive Protection Plan (CPP). Please read it carefully.

About the Plan

The General Conference of The United Methodist Church established a welfare benefit plan for Clergy effective January 1, 1982. Wespath (a general agency of The United Methodist Church) maintains the Comprehensive Protection Plan, more commonly known as CPP (Plan), for the benefit of Clergy of The United Methodist Church.

The Plan is a "Church Plan" as defined in §414(e) of the Internal Revenue Code (Code), as amended, and §3(33) of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan's status as a Church Plan has significant legal meaning; you can read more about it in the "Important Miscellaneous Provisions" section.

Serving The United Methodist Church

The General Conference established Wespath to supervise and administer the employee benefit plans of The United Methodist Church. Wespath, in accordance with the provisions of *The Book of Discipline*, administers the Plan for the benefit of its Participants to better enable them to serve the Church. You can help Wespath be a good steward by ensuring that the information you provide to your Plan Sponsor and Wespath is timely and accurate.

Explanation of Terms

You will find terms starting with capital letters throughout this SPD. Most of the terms are explained in the "Definitions" section; others may be defined in the text.

Questions

If you have questions about the benefit plans administered by Wespath, please do not hesitate to contact us. For more information, please visit our website at **www.wespath.org.** Or you may call Wespath at **1-800-851-2201**.

Important Notices

Claims Administrator

The Claims Administrator for the disability benefits under the Plan is Lincoln Financial Group. Wespath has engaged the Claims Administrator through administrative service agreements and contracts to provide the Plan's Claims processing and Claims determination. Wespath has assigned some of its administrative duties with respect to the Plan to the Claims Administrator. Wespath has delegated the administrative authority to review and recommend approval or denial of Claims for disability benefits to the Claims Administrator. Please contact Wespath if you have questions regarding the manner in which the Claims Administrator and Wespath share duties under the Plan.

This Plan Is Not a Contract of Employment

Nothing contained in this SPD or the Plan will be construed as a contract or condition of employment between Wespath, any Conference, other Plan Sponsor, or any other employer and any Participant. All Participants are subject to discharge to the same extent as if their Conference or employer had never adopted the Plan.

ELIGIBILITY

If you are appointed to a Plan Sponsor of CPP, you may be eligible for coverage under the Plan. Your eligibility depends on the rules of the Plan and the elections made by your Plan Sponsor in its Adoption Agreement. Contact your Plan Sponsor or Wespath if you have questions regarding your eligibility under the Plan. The descriptions below are some general rules that govern the Plan.

Plan Sponsors

Generally, the Conference is the Plan Sponsor for elders, deacons and local pastors who are not appointed to extension ministries.

- If you are a bishop, your Plan Sponsor is the General Council on Finance and Administration (GCFA).
- If you are Clergyperson who is under an appointment serving a Conference or Conference-Elective Entity, your Plan Sponsor is the Conference.
- If you are appointed to a general agency, your Plan Sponsor is the general agency to which you are appointed.
- If you are classified in a category not described above, your Plan Sponsor is your Salary-Paying Unit.

Adoption Agreements

A Plan Sponsor elects to sponsor CPP by executing an Adoption Agreement with Wespath. An Adoption Agreement is a contract through which a Plan Sponsor agrees to cover its employees in the Plan, promises to abide by the terms of the Plan, and assumes certain duties and obligations.

Through *The Book of Discipline*, CPP requires that certain Clergy be covered under the Plan, as outlined in the "General Participation" section below. In addition, Plan Sponsors have the discretion to elect coverage for additional Clergy. A Plan Sponsor must specify in its Adoption Agreement the additional individuals, if any, it wishes to make eligible. The Adoption Agreement may also specify what portion of the contribution is your responsibility as the Participant, if any.

General Participation

If you are a Clergy in one of the classes described below, your Plan Sponsor must provide coverage for you under the Plan if you are also serving a full-time appointment and receiving Plan Compensation equal to at least 25% of the DAC:

- An active bishop of The United Methodist Church or the Puerto Rico Methodist Church;
- A full, provisional or associate Clergy member (including a deacon or central conference clergy member appointed to a Conference) of The United Methodist Church or another Methodist denomination;
- A local pastor of The United Methodist Church or the Puerto Rico Methodist Church; and
- A Clergyperson of another denomination appointed to a charge of The United Methodist Church or the Puerto Rico Methodist Church, if you are not participating in a similar program sponsored by your own denomination.

To participate in the Plan, you must be eligible to participate in a Church Plan as defined by Code §414(e), properly enrolled by your Plan Sponsor and satisfy the equivalent of either: 1) a certificate of good health, or 2) the tests provided for in ¶315.6 of *The Book of Discipline*. The required contributions made on your behalf must be remitted on a timely basis to continue coverage in the Plan (see the "Contributions" section).

Additional Plan Sponsor Elections

If you do not satisfy the general participation eligibility rules, you still may be eligible to participate if your Plan Sponsor has elected to cover Clergypersons in your category. A Plan Sponsor can elect to cover certain groups, such as Clergy on certain types of leave and Clergy appointed less than full-time by making the appropriate election on its Adoption Agreement.

Conference Plan Sponsors may elect to cover the following classes of clergy if they are appointed three-quarters time and earn at least 25% of the DAC:

- full and provisional members (elders and deacons), associate members and clergy of other Methodist denominations; and
- local pastors and members of other (non-Methodist) denominations

Conference Plan Sponsors may also elect a 12-month continuation of coverage for Active Participants who, due to a leave of absence, sabbatical leave or appointment to attend school, are not otherwise eligible to continue coverage. Continuation of coverage can be elected for:

- Medical leave of absence
- Sabbatical leave
- Voluntary leave of absence (personal, family, transitional)
- Attend school, as a provisional member or after serving an appointment (other than appointments to attend school as a full or associate member)

Plan Sponsors that are not Conferences (i.e., Salary-Paying Units, such as employers) may elect to cover full, provisional or associate Clergy members (including deacons) of The United Methodist Church or another Methodist denomination if they are:

- appointed three-quarters time; and
- earning at least 25% of the Denominational Average Compensation (DAC).

Your Plan Sponsor may not have elected, through its Adoption Agreement, to allow, or the Plan's terms may not allow, you to participate if you are on certain types of leaves or you are appointed less than full-time. Please contact your Plan Sponsor to determine whether it has elected any additional eligibility options.

If you apply for CPP disability benefits and are denied, you are eligible for up to 90 days of additional CPP coverage after the end of the 12-month limit above if you are appealing the denial of the disability benefit claim.

Retired Participation

You will be covered by the Plan during retirement as a Retired Participant and therefore eligible for a death benefit[1] in retirement if you:

1) were an *Active Participant on or after January 1, 1987* who:

- was eligible to receive a benefit on your retirement date from the Clergy Retirement Security Program (CRSP), if you were participating in CRSP at the time of retirement, or
- retired at age 62 or older with at least 30 years of service if you were serving a general agency or extension ministry and not participating in CRSP on your retirement date, and in either case
- have been an Active Participant as outlined in the following table:

Date of Retirement	Required CPP Participation
12/31/11 or before	Two full consecutive years immediately prior to retirement; 5 of the 10 years immediately preceding retirement or at least 25 years in CPP
01/01/12 – 12/31/12	Any 5 of the 10 years immediately preceding retirement or at least 25 years in CPP
01/01/13 – 12/31/13	Any 6 of the 10 years immediately preceding retirement or at least 25 years in CPP
01/01/14 – 12/31/14	Any 7 of the 10 years immediately preceding retirement or at least 25 years in CPP
01/01/15 – 12/31/15	Any 8 of the 11 years immediately preceding retirement or at least 25 years in CPP
01/01/16 – 12/31/16	Any 9 of the 12 years immediately preceding retirement or at least 25 years in CPP
01/01/17 – 12/31/17	Any 10 of the 13 years immediately preceding retirement or at least 25 years in CPP
01/01/18 – 12/31/18	Any 11 of the 14 years immediately preceding retirement or at least 25 years in CPP
01/01/19 +	Any 12 of the 15 years immediately preceding retirement or at least 25 years in CPP

However, if you were an Active Participant on December 31, 2016 and your CPP coverage stopped as of *January 1, 2017* because you were serving a part-time appointment or on a leave of absence that was no longer covered, you may be covered in CPP during retirement if as of June 30, 2017 you would be:

- at least 60 years old with 8 of the 11 years in CPP immediately preceding June 30, 2017; or
  - at least 57 years old with 20 years in CPP, and
- retire at age 62 or older with at least 30 years of service

2) were an *Active Participant prior to January 1, 1987* who:

- retired while participating in CPP, and
- began receiving an annuity under the Ministerial Pension Plan (MPP).

3) were *receiving an annuity benefit from your Conference as of January 1, 1982* and:

- had lump-sum death benefit coverage from your Conference on December 31, 1981; or
- received pension credit from your Conference in the year in which you entered into the annuity, if your Conference did not have a death benefit plan on December 31, 1981.

4) are a *bishop elected by a jurisdictional conference who retired prior to January 1, 1982*.

Effective Date of Participation

If you are eligible to be an Active Participant through general or additional participation described above, your Plan Sponsor will enroll you in CPP. Generally, your effective date of participation is the date you satisfy the eligibility requirements.

[1] These rules determine eligibility for death benefits if the Participant's death occurred on or after January 1, 2009.

Mistaken Participation

Enrollment of an Ineligible Clergyperson
If you are not eligible for CPP but your Plan Sponsor enrolls you by mistake, you will not have any rights to benefits under CPP. If the error is discovered after contributions have been made, Wespath will return the amounts contributed on your behalf (unless benefit payments have been made). If you or your Beneficiary have received benefit payments, Wespath will not return the contributions unless and until you reimburse Wespath for the mistaken benefit payments. Wespath has the right to obtain reimbursement of any mistaken benefit payments from you or the recipient of such payments.

Omission of an Eligible Clergyperson
If you should be enrolled in CPP but are not enrolled, you will not have any rights to benefits under CPP until you are properly enrolled. Upon discovery of the error, the Plan will permit your enrollment retroactively to the date you were first eligible. However, if the error is discovered after contributions for you would have been due, the Plan will only allow retroactive enrollment after your Plan Sponsor pays retroactive contributions and related penalties and fees as determined by Wespath.

Termination of Participation
Your participation in CPP will terminate effective the earliest of the following:
- you no longer satisfy the Active Participant eligibility requirements,
- your Plan Sponsor fails to make required contributions or falls more than 180 days behind on contributions (see the “Contributions” section below),
- you retire but do not satisfy the Retired Participant eligibility requirements,
- the Adoption Agreement of your Plan Sponsor is terminated, or
- General Conference terminates CPP.

CONTRIBUTIONS

To maintain coverage as an Active Participant, your Plan Sponsor must remit contributions on your behalf. The required Contributions are based on your compensation. The annual contribution amount is 3% of your Contribution Base. Your Plan Sponsor may require you to pay a portion of the contribution—up to 1% of your Contribution Base.

Regardless of the amount your Plan Sponsor requires you to contribute, your Plan Sponsor will be responsible for remitting all of the contribution directly to Wespath. The annual contribution amount will be payable in equal monthly installments for each month that you are an Active Participant. Each monthly installment will be due on or before the last day of the month.

Delinquent Contributions

If your Plan Sponsor fails to make required contributions on your behalf, Wespath will suspend your participation in CPP, and related benefits will be withheld or terminated.

If any contributions are more than 30 days delinquent, Wespath will suspend your participation in CPP and any related benefits. You will remain suspended until your Plan Sponsor makes arrangements for the retroactive payment of the contributions in a manner satisfactory to Wespath.

If any contributions are more than six consecutive calendar months delinquent, Wespath will terminate your participation in CPP and any related benefits. Your termination will be effective on the last day of the six-month period and remain in effect until:

- the overdue contributions for the period of coverage leading up to the termination are paid,
- the current month's contribution for renewed participation, is paid, and
- you have established evidence of good health by submitting a medical report to Wespath.

If Wespath reinstates you following a termination of participation and benefits, you will be subject to a 180-day waiting period before you will be eligible to receive disability benefits (see the "Limitations and Exclusions" section).

If you die within the first 180 days of participation in CPP and your Plan Sponsor has not remitted any required contributions to CPP, Wespath will withhold your benefits until your Plan Sponsor pays the required Contributions. If you die after the first 180 days, your Beneficiary will receive death benefits if there are no delinquent contributions for more than 30 days.

DISABILITY BENEFITS

If Wespath or its Claims Administrator determines that you are disabled as described below, and you were an Active Participant on the date you became disabled, you are entitled to disability benefits under the Plan, subject to certain exclusions and limitations discussed below.

Generally, you will receive disability benefits equal to 70% of your Plan Compensation. For the purposes of calculating disability benefits, Plan Compensation is limited to 200% of the DAC. Your disability benefits may be reduced for certain amounts, such as Social Security disability benefits or other income (see the "Reductions" section).

Definition of Disability

Wespath or its Claims Administrator will consider you disabled, if, on the basis of medical evidence, you are unable to perform the usual and customary duties of a United Methodist Clergyperson due to bodily injury, disease, or behavioral illness or disorder expected to last for at least six continuous months. The Claims Administrator will consider your disability to have begun on the date you first were unable to perform the usual and customary duties of a Clergyperson.

Once you have been disabled for more than 24 consecutive months, a new definition of disability will apply to you. You will be considered disabled ***only if*** you are not able to engage in substantially all of the usual and customary duties pertaining to ***any employment*** for remuneration or profit in any occupation for which you are reasonably qualified by training, education or experience. In other words, the Plan considers you disabled during the first 24 months of your Claim if you are disabled from your own occupation (i.e., a United Methodist Clergyperson). After 24 months, however, the Plan only considers you disabled if you are unable to engage in any occupation. Your disability will be reviewed after you have received disability benefits for 24 months to confirm that you meet this change in definition of disability.

Limitations and Exclusions

In any case, you will **not** be considered disabled under CPP if your disability resulted from:

- your service in the armed forces of any country,
- warfare,
- intentional self-inflicted injury, or
- your participation in any criminal or unlawful act.

In addition, no disability benefits will be payable under the following circumstances:

- your disability resulted from illness other than an accident, and you:
  - became disabled as a result of any Pre-Existing Condition within the first two years of your participation in CPP or another long-term disability benefits plan provided by your Plan Sponsor if there was no more than a 30-day break in coverage between such plan and CPP, or
  - were not an Active Participant for at least 180 days before the date your disability is determined to have initially occurred in CPP or another long-term disability benefits plan provided by your Plan Sponsor if there was no more than a 30-day break in coverage between such plan and CPP.
- you did not submit a written application for disability benefits to Wespath within 365 days from the date your disability is determined to have begun (see the "Submitting an Application for Disability Benefits" section); or
- you are still receiving a salary or compensation from your Salary-Paying Unit.

If you submit your Claim for disability benefits *within 180 days* of your date of disability and Wespath approves disability benefits on a retroactive basis, the Plan will not pay retroactive benefits more than 365 days prior to the approval date.

On the other hand, if you submit your Claim for disability benefits *more than 180 days after but less than 365 days after* your disability date and Wespath approves disability benefits on a retroactive basis, the Plan will not pay retroactive benefits more than 180 days prior to the approval date. *This means you should submit your claim in a timely manner, as close to your disability date as possible.*

You are required to be under the regular care and treatment of a properly licensed physician who:

- has expertise in the medical specialty associated with your disabling condition; and
- is not a member of your family (e.g., parent, child, Spouse, former Spouse, sibling, mother-in-law, father-in-law, sister-in-law, brother-in-law or cousin).

Benefit continuation is based on medical information received from you and your physician(s) regarding appropriate available treatment. You are expected to receive and show proof of appropriate available medical treatment for your disabling conditions, in accordance with generally accepted medical standards, or for mental illnesses in accordance with American Psychological and Psychiatric Association's standards of practice.

If you are not receiving appropriate available treatment under the regular care and treatment of a physician, your disability benefits will be suspended or terminated (see the "Suspensions and Terminations" section).

Submitting an Application for Disability Benefits

To submit a Claim for disability benefits, you must properly complete and submit a written application for benefits, which can be obtained from your Plan Sponsor or Wespath. The application includes:

- a statement from you regarding your:
  - medical condition,
  - usual and customary duties, and
  - inability to complete your usual and customary duties due to your medical condition.
- other relevant information;
- a statement from your physician(s);
- your signed acknowledgement of certain CPP provisions; and
- an acknowledgement of your claim signed by certain officials from your Conference.

Before granting, and in many cases before continuing, disability benefit payments, Wespath will require you to submit medical evidence of your disability. Wespath may also require you to undergo a medical examination. If Wespath requests a medical examination more frequently than once annually, CPP will pay all reasonable medical fees as determined by Wespath.

If you refuse to submit to a medical exam or to deliver any related documentation requested by Wespath for purposes of verifying your continuing disability, Wespath will suspend or terminate your disability benefits (see the "Suspensions and Terminations" section).

If your disability application contains a form from your doctor that certifies your disabling condition is expected to last at least 6 months and prevents you from performing the usual and customary duties of a United Methodist Clergyperson, temporary payments will be paid to you, on a monthly basis, during the adjudication period. These temporary payments will terminate the earlier of: (a) the denial of your disability claim, or (b) 90 days. The effective date of the temporary payments is first of the month following the last date paid by the local church. These temporary payments have no impact on the determination of your claim for disability, which may be denied after a full review. If your claim for disability is denied you will not be responsible for repaying any temporary benefits received.

Disability Benefit Amount

Disability Benefits Effective *On or After January 1, 2017*
If Wespath approves your Claim for disability benefits, your benefit will equal 70% of your annualized Plan Compensation. The Plan will calculate your annualized Plan Compensation for the Plan Year that contains the date of your first disability benefit payment. Plan Compensation for disability benefit purposes cannot exceed 200% of the DAC for the applicable Plan Year.

Wespath will pay your benefit in monthly installments, and your disability benefit will be increased annually by 3% on each anniversary date of your first disability benefit payment. Your benefit will be subject to certain reductions as described in the "Reductions" section below.

Disability Benefits Effective *Between January 1, 2002 and December 31, 2016*
If your disability benefit began after January 1, 2002 but prior to January 1, 2017, your annual disability benefit will equal 70% of your annualized Plan Compensation, but will not be less than 40% of the DAC in effect on the date of your first payment. This 40% limitation will be prorated for any partial years of disability.

Your disability benefit will still be subject to certain reductions, including a reduction for Social Security disability benefits (see the "Social Security Benefits Reduction" section below). If this reduction applies, your resulting annual disability benefit will not be less than 40% of the DAC in effect on the date of your first payment unless you earn less than 60% of the DAC or CAC ("Conference Average Compensation") and you participated in CPP under a special arrangement.

If: 1) your disability benefit is subject to other income benefit reductions (see the "Other Income Reduction" section); 2) you participate under the special arrangement for those making less than 60% of the DAC or CAC; or 3) your benefit is offset due to an overpayment you received resulting from other income or an award of Social Security benefits, your resulting annual disability benefit may be less than 40% of the DAC in effect on the date of your first payment (determined on a pro rata basis for any partial years of disability).

Disability Benefits Effective *Prior to January 1, 2002*
If your disability benefit began prior to January 1, 2002, your disability benefit as of January 1, 2002 was adjusted to be the greater of:

- your existing disability benefit as of January 1, 2002, or
- 40% of the DAC in effect for the 2002 Plan Year.

The benefit is payable in monthly installments and increases annually by 3% on each anniversary date of your first payment.

Reductions

Social Security Benefits Reduction

Wespath will reduce your disability benefits dollar-for-dollar by any disability benefits you receive under the Social Security Act. The amount of the reduction will be based on the total benefit payable with respect to your disability under the Social Security Disability Insurance (SSDI) Program, including amounts payable to your Spouse and children. For the purposes of the reduction, children may include natural, adopted and step-children. The amount of the reduction will also include any retroactive awards of Social Security disability benefits, unless the Social Security benefits are forwarded directly to Wespath. **You are required to reimburse CPP for any overpayment of disability benefits resulting from any retroactive awards of Social Security disability benefits.**

Below is a chart showing your CPP disability benefit with a Social Security benefits reduction:

Plan Compensation	$75,000
CPP Benefit Before Offset	$52,500
Social Security*	$26,622
CPP Benefit After Offset	$25,878
Replacement Ratio	70%

* Amounts shown are for illustrative purposes only and do not reflect the amount payable under the Social Security Act.

It is your responsibility to take all steps necessary to obtain Social Security disability benefits when you are disabled. Wespath or the Claims Administrator may supply aid, as it deems appropriate, to assist you with your application for such benefits. You must provide Wespath or its agents with all relevant information that is requested regarding your eligibility and application for Social Security disability benefits. If you fail, without good cause, to furnish such information, Wespath will suspend or terminate your disability benefits (see the "Suspensions and Terminations" section).

If you elected not to be covered by Social Security or refuse to apply for Social Security disability benefits, Wespath will nonetheless reduce your disability benefits dollar-for-dollar based on an imputed amount that you would have received under the Social Security Act. To determine the imputed amount, the Plan will assume that:

- your application for Social Security disability benefits would have been approved,
- you would have received the maximum benefits available under Social Security for someone with your same circumstances and compensation level, and
- you would not have received any retroactive awards of Social Security disability benefits.

If your date of disability is determined to be on or after January 1, 2017, the imputed Social Security disability benefit offset will become effective either:

- immediately after the date you refused to apply for Social Security disability benefits, if you refused to apply; or
- six months after the date the Claims Administrator determined your disability began, if you elected not to be covered by Social Security.

To reduce the likelihood of a significant overpayment of CPP disability benefits due to a retroactive Social Security award, if you apply for Social Security, Wespath will begin to apply the imputed Social Security offset 12 months after the date Wespath determined your disability began. If you agree to be represented by the advocate approved by Wespath during the Social Security disability application process, your benefit offset or repayment can be delayed until you receive payment from Social Security. If you are denied Social Security benefits (for a reason other than electing not to be covered under Social Security), Wespath will reimburse you for the amounts offset.

Other Income Reduction
After the application of the Social Security benefits reduction, Wespath will also reduce your disability benefits by other income you earn.

During the first 24 months of receiving disability benefits, your disability benefit will be reduced dollar-for-dollar by the amount of your gross income, as determined below, when the amount of such income exceeds 100% of your Plan Compensation at the time your disability occurred (increased annually by 3%).

After the first 24 months of receiving disability benefits, your disability benefit will be reduced:
- 50 cents for each dollar of your gross income, as determined below, when the amount of such income exceeds 70% of your Plan Compensation at the time your disability occurred (increased annually by 3%), or
- dollar-for-dollar by the amount of your gross income, as determined below, when the amount of such income exceeds 100% of your Plan Compensation at the time your disability occurred (increased annually by 3%).

The gross income considered for this reduction includes your earned income or payments that you receive that are a substitute for earned income[2]. Sources of gross income are limited to:
- compensation for services, including fees, commissions or gross income derived from a business;
- payments received from Workers' Compensation insurance with respect to lost earnings;
- payments received from any branch of the U.S. armed forces, excluding veterans disability compensation and pension benefits;
- payments received from any other agency of the U.S. government;
- payments received from any state of the U.S., with respect to disability; and
- payments received as retirement benefits under the Social Security Act for you, your Spouse or your children;
- the amount of the reduction for Social Security disability benefits.

To enable Wespath to make the above calculations, you must supply Wespath with all relevant information and documentation that it requests. If you fail, without good cause, to furnish such information and documentation, Wespath will suspend or terminate your disability benefits (see the "Suspensions and Terminations" section).

Effective Date of Disability Benefits
Your disability benefit will begin retroactive to the first day of the month coincident with or following the date the Claims Administrator determines that you became disabled. However, retroactive benefits will not be paid more than 365 days prior to the date the payment of disability benefits is approved. The date your disability benefit payments begin will not be determined by the effective date of an incapacity leave, other status change or appointment that is approved by your Conference.

Disability benefit payments will begin as soon as practicable after Wespath has approved your Claim for disability benefits. Ongoing payments will be made as of the first business day of each month that you are eligible to receive disability benefits.

Other Disability Benefits

Pension Contributions While Disabled
If you are an Active Participant who is disabled, and you are a participant in the Clergy Retirement Security Program (CRSP) [or your Plan Sponsor is not a Conference and you are participating in the United Methodist Personal Investment Plan (UMPIP)], an annual contribution may be credited, in monthly installments, to your CRSP defined contribution account (or in certain circumstances, to your UMPIP account) while you are receiving disability benefits. The annual contribution will be equal to the matching and nonmatching contributions your Plan Sponsor is obligated to make under CRSP (or UMPIP). If you are eligible for a contribution, it will be increased annually by 3% on each anniversary date of your first disability benefit payment.

[2] **Note:** Compensation a disabled participant receives from a Plan Sponsor in lieu of group health plan participation, even if taxable income, will not be counted as earned income for purposes of offsetting (reducing) disability benefits.

Refer to the CRSP or UMPIP *Summary Plan Description* for additional information regarding eligibility and calculation of contributions that may be provided in these plans. Keep in mind, while you are receiving disability benefits, any contribution made from CPP to a retirement plan other than CRSP shall not exceed the amount that would have been made to CRSP.

If you terminate your Conference relationship while receiving disability benefits by: a) honorable location; b) surrendering ministerial or local pastor license; c) withdrawal; or d) penalty assessed by a trial court or any other means, or if you retire under ¶358.3 of *The Book of Discipline* (i.e., involuntary retirement), all contributions to CRSP from the Plan will cease. However, you will continue to receive your monthly disability benefit as long as you continue to meet the eligibility requirements for disability benefits described herein.

Return-to-Work Program
If you are receiving disability benefits, you may be eligible to participate in a return-to-work program to transition you back into actively working.

If you are identified as a candidate for a return-to-work program, a transitional position is available to you, and you refuse to participate or comply with the Plan Administrator's or Claims Administrator's implementation of the program, your net disability benefit (after other offsets) may be reduced by 10%.

Your Plan Sponsor may receive an annual grant for any compensation paid to you in a transitional position in an amount equal to the lesser of: 1) 50% of your Plan Compensation on the date of your disability; or 2) 40% of the DAC, as an incentive to reappoint or re-employ you in a return-to-work program. The grant will continue as long as you are disabled, eligible to participate in CPP and compliant with the return-to-work program. The program will cease on the June 30 that follows the end of your disability.

Suspensions and Terminations

Suspensions
Wespath will suspend your disability benefits if you:

- refuse to submit to a medical examination or provide any related documentation requested by Wespath for purposes of verifying continuing disability;
- are not under the Appropriate Available Treatment of a properly licensed physician who:
  - has expertise in the medical specialty associated with your disabling condition;
  - is someone other than a member of your family (e.g., parent, child, Spouse, former Spouse, sibling, mother-in-law, father-in-law, sister-in-law, brother-in-law or cousin).
- fail, without good cause, to supply all relevant information that is requested regarding your eligibility and application for Social Security benefits;
- fail, without good cause, to supply all relevant information and documentation that is requested by Wespath regarding your sources of gross income; or
- are identified as a candidate for rehabilitation services and Wespath determines that you have not properly participated in the recommended rehabilitation program.

If any of the above events apply to you, Wespath will send a written notice to you advising you of the required actions to continue your disability benefits and the consequences, including suspension of disability benefits, if you do not take the required actions. If you do not take the required actions, the suspension will be effective the last day of the month following the 90-day period beginning on the date that Wespath sent the notice.

If Wespath suspends your disability benefits, Wespath will reinstate your disability benefits prospectively only if you complete all actions requested by Wespath and supply the appropriate documentation for reinstatement within nine months following the date of the suspension. In addition, if you demonstrate, to the satisfaction of Wespath, that your lack of cooperation was due to matters reasonably beyond your control (such as incapacity without a guardian), Wespath may make retroactive benefit payments to the date of the suspension.

If, within the nine-month period following the effective date of suspension, you did not take appropriate actions or supply the appropriate documentation for reinstatement of disability benefits to Wespath, Wespath will terminate your right to disability benefits as of the last day of the nine-month period following the date of the suspension.

Terminations

If your date of disability is determined to be after December 31, 2012, your disability benefits will terminate as of the earliest of the following:

- nine months following the date Wespath suspends your disability benefits if you take no corrective action (see the "Suspensions" section above);
- June 30 following the last day of the regular session of your Annual Conference** if the Claims Administrator determines that you are no longer disabled;
- If you became disabled before your 62nd birthday, June 30 following the earlier of:
  - your Social Security normal retirement age under the Social Security Act, or
  - the date you retire under ¶358.1 or ¶358.2 of *The Book of Discipline*;
- if you became disabled on or after your 62nd birthday, June 30 following the earlier of:
  - the last day of eligibility based on the Age Benefit Reduction table below, or
  - June 30 following your retirement date if you retire under ¶358.1 or ¶358.2 of *The Book of Discipline*;**
- the last day of the month in which you die; or
- immediately, if Wespath has evidence that you have committed fraud or misrepresentation upon the Plan.

Age Benefit Reduction	
Age at CPP Disability Date	**Benefit Duration (Date of Disability after 12/31/2012)**
62	60 months
63	48 months
64	42 months
65	36 months
66	30 months
67	24 months
68	18 months
69 or over	12 months or age 72, whichever is earlier

** However, if your Annual Conference does not end in May or June, the termination effective date will instead be the last day of the month in which your Annual Conference session ends. CPP disability benefits will not end based on your involuntary retirement under ¶357.3 of *The Book of Discipline*.

DEATH BENEFITS

Active Participant Death Benefits

If you die while an Active Participant, Wespath will pay a death benefit of $50,000 to your Beneficiary (see the "Beneficiary Designations" section). The benefit will be paid in a single sum, unless your Beneficiary elects to receive the payment in 12 equal monthly payments. Any benefit paid to your estate will be made in a single sum.

Active Participants receiving CPP disability benefits continue to be eligible for death benefit coverage.

Once you cease to be an Active Participant, you are no longer eligible for this death benefit.

Minimum Surviving Spouse Annuity Benefits

If you die while an Active Participant prior to receiving a defined benefit under CRSP, your Surviving Spouse may receive a minimum monthly benefit from CPP that is equal to:

- 20% of 1/12th of the DAC in effect on the date of your death, less:
  - the defined benefit payable from CRSP and all other Church-related sources (including pension benefits for service prior to January 1, 1982). For purposes of this offset, the benefit is calculated as a single life annuity increasing 2% annually (regardless of the annuity forms actually paid). Social Security benefits are not considered in this calculation.

The minimum Surviving Spouse annuity benefit will increase each year by 3% on each anniversary date of the first payment of benefits.

Retired Participant Death Benefits

If you die while a Retired Participant, a single-sum death benefit of $24,000 will be paid to your Beneficiary (see the "Beneficiary Designations" section).

Surviving Children Benefits

If you die while an Active Participant or Retired Participant, your surviving natural and legally adopted children may be eligible to receive surviving children benefits. However, if you die while a Retired Participant, your adopted child will only be eligible for this benefit if you adopted your child before you retired.

If your child is younger than age 18, he or she will be eligible to receive an annual benefit equal to 10% of the DAC in effect on the date of your death. The benefit is payable in monthly installments up to and including the month your child reaches age 18.

If your child is older than age 18 but younger than age 25, he or she may be eligible to receive an annual surviving child education benefit equal to 10% or 20% of the DAC in effect on the later of the date of your death or the date your child attains age 18.

- The 10% benefit will be payable in monthly installments to your child who is a full-time student attending a secondary school. The benefit will be paid during all eligible years while in high school.
- The 20% benefit will be payable to full-time students attending a school beyond the secondary level in equal installments based on the academic term (e.g., semester, quarter). The benefit will be paid for up to four years of attendance at a standard school or college beyond the secondary level. A student receiving this benefit will also need to submit documentation of passing grades.

To become or remain eligible to receive the annual educational benefit, Wespath will require that your child periodically submit satisfactory proof of enrollment, attendance, and academic performance as a full-time student at an appropriate school or college.

The amount of any surviving children benefits will increase each year by 3% on each anniversary date of the first benefit payment.

Spouse Death Benefits

If you are an Active Participant or a Retired Participant, you will receive a single-sum death benefit of $16,000 upon the death of your Spouse.

Surviving Spouse Death Benefits

If you were an Active Participant or a Retired Participant, then the Plan will pay a single-sum death benefit of $12,000, upon the death of your Surviving Spouse, to your Surviving Spouse's Beneficiary (see the "Beneficiary Designations" section).

Child Death Benefits

Upon the death of your child, a death benefit will be paid as follows:

- if you survive your child, and you are an Active Participant or a Retired Participant, you will receive a single-sum death benefit of $8,500;
- if you predecease your child, a single-sum death benefit of $8,500 will be paid, in the following order of preference, to:
  - your Surviving Spouse, if your Surviving Spouse was either the guardian of the deceased child at the time of the child's death or the deceased child was dependent on your Surviving Spouse;
  - the guardian of the deceased child, if any; or
  - the person paying the child's funeral expenses.

For the purposes of the child death benefit, a "child" is your natural or legally adopted child who, at the time of his or her death, was:

- younger than age 19,
- age 19 or older and dependent upon you or your Surviving Spouse due to a behavioral or physical disability that existed prior to age 19, or
- receiving surviving children benefits.

Beneficiary Designations

Participant

You may designate a Beneficiary who will receive any benefits payable upon your death. You must make your designation on the *Designation of Beneficiary for Retirement and Welfare Plans* form required by Wespath. Such designation will be subject to certain limitations described below and will not be effective unless you file the *Designation of Beneficiary for Retirement and Welfare Plans* form with Wespath during your lifetime.

You may designate multiple Beneficiaries and the share of the benefit each Beneficiary will receive. You may also designate a primary and contingent Beneficiary. The Plan pays benefits to your designated primary Beneficiary unless your designated primary Beneficiary dies before you or cannot be located at the time of your death. In these situations, the Plan will pay benefits to your designated contingent Beneficiary instead.

If you are not married at the time of your death, and you have not made a valid Beneficiary designation, your Beneficiary will be your estate.

If you are married when you die, your Spouse automatically will be your primary Beneficiary. If you have submitted a *Designation of Beneficiary for Retirement and Welfare Plans* form with Wespath that designates someone in addition to or other than your Spouse as primary Beneficiary, and the form contains your Spouse's written approval and your Plan Sponsor or a notary has witnessed such consent, then the person or persons you have designated on the form will be your Beneficiary. If you did not obtain spousal consent in this manner 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:

- at your death, you are legally separated from your Spouse or have been abandoned (within the meaning of local law) by your Spouse and you (or your heirs) produce a court order confirming such separation;
- your Spouse disclaims (in acceptable, written form) **all** benefits before receiving them;
- neither your survivors nor Wespath can locate your Spouse;
- your Spouse is legally incompetent to give consent and the legal guardian gives consent on the Spouse's behalf; or
- other relevant circumstances exist as determined by Wespath.

If you and your Spouse divorce on or after January 1, 1997, the divorce will revoke any Beneficiary designation in favor of your former Spouse filed prior to your divorce. Until you file a new *Designation of Beneficiary for Retirement and Welfare Plans* form with Wespath, any benefits will be payable as if your former Spouse predeceased you.

It is important that you keep your Beneficiary designation up to date. You may want to change your Beneficiary designation if your primary or contingent Beneficiary dies, you marry, you divorce or you experience other life events. To request a *Designation of Beneficiary for Retirement and Welfare Plans* form, call your Plan Sponsor or Wespath at **1-800-851-2201**. You can also change your beneficiary designations by logging in to Benefits Access at **www.benefitsaccess.org**.

Wespath will, in its sole discretion, determine the Beneficiary of any death benefits payable under the provisions of CPP.

Surviving Spouse

Your Surviving Spouse may designate a Beneficiary by submitting a *Surviving Spouse Designation of Beneficiary for Retirement and Welfare Plans* form. The form designates a Beneficiary who is to receive any benefits payable upon your Surviving Spouse's death. Such designation will be subject to certain limitations described below and will not be effective unless your Surviving Spouse files the form with Wespath during his or her lifetime.

Your Surviving Spouse may designate multiple Beneficiaries and the share of the benefit each Beneficiary will receive. Your Surviving Spouse also may designate a primary and contingent Beneficiary. The Plan pays benefits to your Surviving Spouse's designated primary Beneficiary unless your Surviving Spouse's designated primary Beneficiary dies before your Surviving Spouse, or he or she cannot be located at the time of your Surviving Spouse's death. In these situations, the Plan pays benefits to your Surviving Spouse's designated contingent Beneficiary instead. If at the time of your Surviving Spouse's death, your Surviving Spouse is not married and he or she has not made a valid Beneficiary designation, your Surviving Spouse's Beneficiary will be his or her estate. Your Surviving Spouse may designate primary and contingent Beneficiaries by submitting a *Surviving Spouse Designation of Beneficiary for Retirement and Welfare Plans* form to Wespath.

If your Surviving Spouse and his or her Spouse divorce on or after January 1, 1997, the divorce will revoke any Beneficiary designation in favor of your Surviving Spouse's former Spouse filed prior to the divorce. Until your Surviving Spouse files a new *Surviving Spouse Designation of Beneficiary for Retirement and Welfare Plans* form with Wespath, any benefits will be payable as if his or her former Spouse predeceased your Surviving Spouse.

Because situations change, your Surviving Spouse should review his or her Beneficiary designation from time to time. Subject to certain limitations, your Surviving Spouse may change his or her Beneficiary by filing a new *Surviving Spouse Designation of Beneficiary for Retirement and Welfare Plans* form with Wespath during his or her lifetime.

Wespath will, in its sole discretion, determine the Beneficiary of any death benefits payable under the provisions of CPP.

Payment of Death Benefits

Wespath will pay death benefits upon your death or the death of your Spouse, Surviving Spouse or child once your Plan Sponsor or Conference provides written notification of your death and Wespath determines eligibility for death benefits under CPP. All death benefits are considered non-taxable and will not appear on an IRS *Form 1099-R*.

VOLUNTARY TRANSITION PROGRAM

The Voluntary Transition Program (VTP) was implemented as a part of CPP in order to provide eligible clergy with a graceful exit from the ministry. This program provides Transition Benefits such as severance benefits, CPP death benefits and outplacement services. In addition, the conference may fund health coverage and moving expenses.

Eligibility

General Eligibility
If you are a clergy member in full connection (including a deacon) of The United Methodist Church who is under full-time Episcopal appointment or receiving CPP disability benefits, you may be eligible for Transition Benefits under the Plan.

In addition, you must meet the following criteria to be eligible for Transition Benefits:

- You must have served at least five years as a full Clergy member with a Conference (or multiple Conferences) and must have been covered in CPP as an Active Participant for the last five years immediately preceding your Separation from Service.
- You must not be within two years of eligibility to enter the retired relationship under ¶358.2(b) or ¶358.2(c) of *The Book of Discipline*. If you are a Retired Participant in CPP, you are not eligible for VTP.
- You must surrender your credentials, withdraw in accordance with ¶361.2 of *The Book of Discipline* and terminate your membership in the Conference to be eligible for VTP. This must be done as soon as administratively feasible and no later than the next session of the annual conference.
- The bishop, district superintendent, conference relations committee of the board of ordained ministry, the clergy session of the Conference (solely for approval of your surrender of credentials, not as a specific requirement of the VTP eligibility) and you must all approve of your entry into VTP.

Bishops, provisional members, associate members, members of other Methodist denominations, members of the Puerto Rico Methodist Church, local pastors and clergypersons of other denominations are not eligible for VTP.

Submitting an Application for Transition Benefits

To submit a Claim for Transition Benefits, you must properly complete and submit a written application for benefits, which can be obtained from your Plan Sponsor or Wespath. The application includes:

- a statement from you:
  - acknowledging that you understand the terms of VTP and the meaning of your withdrawal, and
  - binding you to withdraw and surrender credentials.
- other relevant information;
- an acknowledgement of your claim signed by certain officials from your Conference.

If you receive Transition Payments and, for any reason, do not surrender your credentials, withdraw and terminate your conference membership, you will be required to repay the Transition Payments.

Transition Payments

If you are eligible for VTP, you will receive severance benefits (Transition Payments) equal to two weeks of Plan Compensation as of your Separation from Service for each full year of continuous appointed service, up to a maximum of 6 months (i.e., 26 weeks) of Plan Compensation. The Transition Payments will begin the first of the month following your Separation from Service. The Transition Payments will be paid as a single lump-sum via Electronic Fund Transfer EFT) to the checking or savings account you choose.

Example 1

- Full Clergy member, age 45 with 10 years of service
- Plan Compensation: $65,000
- $65,000/26 weeks = $2,500 per two weeks
- $2,500 x 10 (years of service) = $25,000 lump sum payment
- Transitional Period: 20 weeks

Example 2

- Full Clergy member, age 55 with 20 years of service
- Plan Compensation; $75,000
- $75,000/26 weeks = $2,884.62 per two weeks
- $2,884.62 x 13 (maximum years of service) = $37,500 lump sum payment
- Transitional Period: 26 weeks

For purposes of the calculation, one year of service is 365 days of continuous service as a Clergyperson. Service is not limited to years of credited service or years with CPP participation. Partial years of service are not included in the calculation.

If you are approved for Transition Benefits, but die before receiving all of your Transition Payments, it will be paid as a lump sum to your estate or Beneficiaries.

Other Transition Benefits

You will be eligible to receive the following Transitional Benefits in addition to Transition Payments:

Health Insurance Coverage

If you were covered under your Conference's health plan at the time of your Separation from Service, your Plan Sponsor will pay a portion of the premium for continuation coverage, if offered under the health plan. This premium payment will equal the amount your Plan Sponsor or Salary-Paying Unit paid towards your premium at the time of your Separation from Service. This payment will continue for through the end of the Transitional Period (i.e., 2 weeks for each year of continuous service), rounded to the next nearest whole month.

Upon expiration of the Transitional Period, you will remain eligible for continuation coverage under your Conference's group health plan based upon the rules of the group plan and the Conference.

If continuation coverage is not available, the conference will provide you with a stipend to use for purchase of individual health insurance that is equal to the lesser of:

- the amount that the Conference or Salary-Paying Unit paid for its portion of the cost of your group health insurance coverage at the time of your Separation from Service; or
- the equivalent percentage share of the cost of the average small group market premium in the state you reside as published by the U.S. Department of Health and Human Services.

CPP Active Death Benefits

If you die during the Transitional Period, CPP will pay the $50,000 lump-sum death benefit payable upon the death of an Active Participant as described in the "Active Participant Death Benefits" section. You, your Spouse, children, and Beneficiaries are not eligible for any other death benefits under CPP, including the Minimum Surviving Spouse Annuity Benefit or surviving children's benefits.

Outplacement Services

Eligible Participants will be provided up to 90 days of outplacement services with an outside vendor. Outplacement services will include career counseling, resume writing and interviewing skills. In order to use these outplacement services, you must request and begin using them before the end of the Transitional Period.

Moving Expenses

Your Conference will provide reimbursement of moving expenses, limited to the average cost of relocation within your geographic area, based on applicable Conference policy.

No Retirement or Disability Benefits

You will not be able to make salary deferral contributions to UMPIP from your Transition Payments and will not receive retirement plan contributions as a result of participation in VTP. You will not be eligible for disability benefits under CPP during the Transitional Period.

Return to Ministry

If you return to licensed ministry with the United Methodist Church at any time after receiving Transitional Benefits, you will be required to repay the Transition Payments. Such amount will be considered an overpayment under CPP as of the date you become an Active Participant again.

End of Program

VTP was restarted at the close of the 2024 General Conference and will remain in effect until December 31, 2028, at which time it will terminate. Transition Participants who are receiving Transition Payments on December 31, 2028 will continue to be eligible for Transition Benefits for the remainder of their applicable Transitional Period.

CLAIMS AND APPEALS

Claims

If Wespath denies your Claim for CPP benefits, in whole or in part, you will receive written notice with:

- the reasons for the denial,
- a reference to the Plan provisions on which the denial is based,
- a description of additional information that may be necessary to process the Claim, and
- an explanation of how you may have the Claim reviewed if you do not agree with the denial.

You may not initiate a request for mandatory arbitration with the Plan, Wespath, any of the Claims Administrator or your Plan Sponsor, with respect to any Claim of any kind until you have exhausted the Claims and appeals processes applicable to your Claim. Upon completion of the appeals process, you must initiate the request for mandatory arbitration within 12 months of the date of the written notice from Wespath regarding the final outcome of the final appeal.

Please note: Claims related to other CPP benefits or provisions are subject to the three-step process outlined below.

Appeals

The CPP appeal process is a three-step process: the Initial Appeal, Intermediate Appeal and Final Appeal.

Initial Appeal

You, or your representative, have 45 days from the date of the notice of the Claim denial from Wespath in which to submit an initial appeal. The Claim denial from Wespath should contain a *Notice of Initial Appeal*. You must carefully read the notice and follow the timeframes set out therein.

On appeal, you may submit documentation that supports your Claim, such as additional facts, information, documentation or arguments, to the Initial Appeal Committee. The Initial Appeal Committee will only consider those issues and supporting documents that are submitted with the *Notice of Initial Appeal*, except by its leave or discretion. The Initial Appeal Committee will be guided by an assigned Compliance Specialist. The Compliance Specialist, at his or her discretion, may speak with you to gather more facts and allow you to explain your Claim or argument. The Initial Appeal Committee will review and consider: a) the facts and circumstances; b) your argument; c) the applicable provisions from the Plan Document, Summary Plan Description (SPD) or other pertinent document; and d) any mitigating circumstances. The Initial Appeals Committee will then make its determination.

You or your duly authorized representative may present your appeal to the Initial Appeals Committee in person or by conference call. If you or your representative choose to appear at the hearing in person, you will be wholly responsible for all costs associated with such appearance.

Intermediate Appeal
If your claim for benefits is fully or partially denied by the Initial Appeals Committee, your appeal will be referred to the Intermediate Appeals Committee for consideration. The Intermediate Appeals Committee is free to reconsider all aspects of the Claim and the evidence anew and is not bound by any decision or theory of the Claim at a lower level. The Intermediate Appeals Committee will decide your appeal within 60 days.

The Intermediate Appeals Committee will notify you in writing of its decision, citing the specific reasons for the decision and the provisions of CPP upon which the decision is based.

Final Appeal
If you are dissatisfied with the Plan's intermediate appeal decision, you may request a final appeal. To initiate a final appeal, follow the instructions that are included with the letter you received from the Intermediate Appeals Committee informing you of the results of the intermediate appeal (the denial of appeal). Final appeals are made to an Appeals Committee of the Board of Directors of Wespath. No one involved in the intermediate appeal may vote on the Appeals Committee. The Final Appeals Committee is free to reconsider all aspects of the Claim and the evidence anew and is not bound by any decision or theory of the Claim at a lower level. You may present your circumstances and argument to the Appeals Committee in person or by conference call. If you or your representative choose to appear at the hearing in person, you will be wholly responsible for all costs associated with such appearance.

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

Mandatory Arbitration

All Participants agree to be bound by the Plan's mandatory arbitration provisions. A request for mandatory arbitration must be made within 12 months of the date of the written notice from Wespath regarding the final outcome of the final appeal, or such right to seek arbitration will be deemed waived.

PLAN SPONSOR RESPONSIBILITIES

Each Plan Sponsor has the following duties with respect to the Plan:

- determine initial eligibility consistent with the terms of the Plan and enroll Clergy employees within 90 days of each employee becoming eligible;
- maintain records of employees' compensation, enrollment and elections;
- remit required contributions to Wespath;
- provide Wespath with notice of a Participant's termination of employment, termination of Conference relationship or Change of Status, where the Plan Sponsor is made aware of the Change of Status;
- provide Wespath with statistical data and other information satisfactory in form and accuracy within a reasonable time after a request;
- register with and report to government agencies, as appropriate;
- comply with applicable federal and state laws and regulations, including, but not limited to, nondiscrimination requirements;
- properly notify Clergypersons of their rights and obligations under the Plan; and
- execute an Adoption Agreement indicating its elections of optional Plan provisions and providing any other information called for by the Adoption Agreement.

The Plan Sponsor may be deemed to satisfy its duties through actions by a Salary-Paying Unit or other entity, but the Plan Sponsor remains responsible for the duties if they are not carried out in an appropriate manner or timely fashion.

AMENDMENT AND TERMINATION

The General Conference may amend prospectively or retroactively any and all provisions of this Plan at any time. Wespath may amend the Adoption Agreement at any time and may amend the Plan in order to conform with federal or state law and regulations or as otherwise required or allowed by *The Book of Discipline*. A Plan Sponsor reasonably may amend its Adoption Agreement from year to year with respect to eligibility and other Adoption Agreement options.

Wespath may terminate a Plan Sponsor's association with the Plan for any reason by providing the Plan Sponsor 90 days written notice. In addition, Wespath may terminate a Plan Sponsor for breach of the Plan's provisions or the terms of the Adoption Agreement, or for nonpayment of required contributions if the Plan Sponsor does not cure the breach or delinquency upon notice within 60 days. The termination of a Plan Sponsor will not excuse the Plan Sponsor from making payment in full of all required contributions. Wespath will notify affected Participants in the case of a termination of a Plan Sponsor.

The General Conference has the right to terminate the Plan and the Trust at any time. The disposition of assets remaining in the Plan, if any, after all obligations of the Plan have been satisfied, will be at the discretion of the General Conference.

IMPORTANT MISCELLANEOUS PROVISIONS

Not Insurance

The Plan or Wespath is not in the business of insurance. The Plan is offered by Wespath as a self-funded Church Plan only for the benefit of eligible Clergy and their families and of organizations affiliated with Wespath through The United Methodist Church.

Though Church Plans are considered employee welfare benefit plans under §3(1) of ERISA, Title I of ERISA does not apply to Church Plans, as indicated by §4(b)(2) of ERISA. Therefore, most regulations issued by the U.S. Department of Labor do not govern the administration of the Plan.

Interpretation of the Plan and Benefits

Wespath has sole and exclusive discretion to do all of the following:

- interpret the provisions and terms of and benefits available under the Plan;
- interpret the other terms, conditions, limitations and exclusions of the Plan, including this SPD; and
- make factual determinations related to the Plan and the benefits provided under it.

Wespath has delegated some of that authority to the Claims Administrator. Wespath has delegated the authority to adjudicate disability Claims to the Claims Administrator. Wespath and the Claims Administrator (with the consent of Wespath) may delegate this discretionary authority to other persons or entities that provide services to the Plan.

No Waiver

The failure of Wespath or the Claims Administrator to enforce strictly any term or provision of this SPD or the Plan will not be construed as a waiver of such term or provision. Wespath reserves the right to enforce strictly any term or provision of this SPD and the Plan at any time.

Clerical Error

If a clerical error or other mistake occurs, that error does not create a right to benefits under the Plan. These errors include, but are not limited to, providing misinformation on eligibility or benefit coverage or entitlements. Oral statements made by Wespath, the Claims Administrator or any other person shall not serve to amend the Plan. In the event an oral statement conflicts with any term of the Plan, the Plan terms will control. It is your responsibility to confirm the accuracy of oral statements made by the agents of Wespath or its designees, including the Claims Administrator.

Applicable Law

The Plan shall be construed according to applicable federal law and the laws of the state of Illinois, other than its laws respecting choice of law.

Plan Document Controls

If there are any discrepancies between this SPD and the terms and conditions set forth in the official plan document of CPP (Plan Document), the terms of the Plan Document will govern.

Recovery of Excess Benefits

If Wespath or Claims Administrator makes payments in excess of those for which the Plan is obligated to provide under its terms, the Claims Administrator and Wespath will have the right to recover the actual payment made, pursuant to a claim in equity. Wespath and the Claims Administrator will have the discretion to seek such recovery from any person to, or for whom, or with respect to whom, such payments were made from the Plan, or from other plans administered by Wespath in which a person has an interest. You are required to execute and deliver to Wespath or the Claim Administrator the instruments and documents necessary to secure this right of recovery.

Unclaimed Benefits

In its sole discretion, Wespath may terminate your (or your Beneficiary's) benefits if you (or your Beneficiary) fail to notify Wespath when your (or your Beneficiary's) address changes, and we cannot locate you (or your Beneficiary) when benefits are due. Wespath will send a notice to you (or your Beneficiary) by certified letter with return receipt requested, to the last address we have on file. If you (or your Beneficiary) fail to contact us within 12 months after the notice, your (or your Beneficiary's) benefits will be forfeited and used to provide for the expenses of administration and other benefits payable under the terms of CPP. Such action by Wespath will fully discharge CPP and Wespath of all liability.

Relinquishment or Refusal of Benefits

You or your Beneficiary may voluntarily relinquish in writing, for not more than one year at a time, all or part of any benefits that are in pay status. Once relinquished, you or your Beneficiary cannot recover the benefits. The relinquished benefit amount will remain in CPP and be used for the payment of other benefits.

Your Beneficiary may refuse or disclaim a benefit that he or she is otherwise entitled to receive. Any refusal or disclaimer must be of the entire benefit before the payment is received. The effect of a refusal will be to treat your Beneficiary as if he or she predeceased you.

Non-Alienation of Benefits

Except where provided otherwise in CPP, your benefits may not be alienated, sold, assigned, transferred, pledged, encumbered or garnished at any time. Any attempt to alienate, sell, transfer, assign, pledge or otherwise encumber any benefits will be void.

Legal Disability or Incapacity

If, in Wespath's opinion, a legal disability or incapacity has rendered a person unable to manage his or her own financial affairs, Wespath may make benefit payments directly to the person, to the person's legal representative, or to the person's relative or friend (to be used exclusively for the person's benefit) and in a manner Wespath deems advisable. In any such case, Wespath's decision will be final, binding and conclusive upon all interested persons, and Wespath will not be obligated to see to the proper application or expenditure of any payment so made. Any payment made will completely discharge the obligation for making such payment under CPP.

CPP Benefits under the Prior Plan

Persons who received benefits on December 31, 1981 from the prior plan, Disability and Survivor Benefit Fund of the Ministers Reserve Pension Fund, shall receive benefits under the terms and conditions of CPP. For more information about these benefits, please contact Wespath.

Fraud or Deception

If you knowingly defraud or deceive Wespath by providing materially false, incomplete or misleading information, Wespath will deny your claim and you may be subject to prosecution or punishment to the full extent under state and federal law. Wespath has the full authority to pursue all appropriate legal remedies in the event of fraud.

DEFINITIONS

Adoption Agreement
An agreement is executed by each Plan Sponsor and, if accepted by Wespath, becomes part of the Plan. An Adoption Agreement is the means by which a Plan Sponsor adopts the Plan and specifies any optional provisions, such as eligibility criteria.

Active Participant
A Participant, other than a Retired Participant, who meets the eligibility requirements and who is enrolled in CPP.

Appropriate Available Treatment
Appropriate care or services which are: 1) generally acknowledged by physicians to cure, correct, limit, treat or manage the disabling condition; 2) accessible within a reasonable geographic area of the Participant; 3) provided by a physician who is licensed and certified by the American Board of Medical Specialties or the American Board of Physician Specialties (osteopaths) and qualified in a discipline suitable to treat the disabling injury or sickness; and 4) in accordance with generally accepted medical standards of practice.

In addition, "Appropriate Available Treatment" with respect to a Mental Illness (as defined below) means care or services which are: 1) generally acknowledged by psychiatrists and psychologists to cure, correct, limit, treat or manage the disabling condition; utilizing both psychotherapy and psychopharmacology modalities when indicated, occurring with a regular frequency, as defined by accepted guidelines, as long as the condition is significantly decreasing capacity, including the obtaining of second opinions when there is little clinical improvement after six months; 2) accessible within a reasonable geographic area of the Participant; 3) provided by a provider who is a licensed psychologist, psychiatrist or both; and 4) in accordance with generally accepted American Psychological and Psychiatric Association's standards of practice.

Beneficiary
The individuals(s), trust(s), estate(s) or other legal person(s) you or your Surviving Spouse designate to receive your or your Surviving Spouse's interest in CPP, which is payable in the event of your or your Surviving Spouse's death.

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

Claim
A Claim is notification in a form acceptable to Wespath. This notification should include details, including your name, age, gender, identification number, and any other information that Wespath may request.

Claims Administrator
For administration of disability benefits provided by the Plan, the Claims Administrator is Lincoln Financial Group. Wespath has delegated certain administrative and fiduciary duties to the Claims Administrator pursuant to contractual arrangements, including, but not limited to, adjudication of Claims. The Plan's Claims Administrator may be changed at the discretion of Wespath.

Clergy or Clergyperson
A person who is: a) a bishop; b) a Clergyperson who is a member in full connection, a probationary member or an associate member of a Conference; or c) a full-time local pastor, (as these terms are defined in *The Book of Discipline*).

Clergy Retirement Security Program (CRSP)
The Church-provided pension plan available for eligible Clergy of The United Methodist Church.

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

Conference
An Annual Conference, Provisional Conference or Missionary Conference of The United Methodist Church that is located in a Jurisdictional Conference in the U.S. (as these entities are defined in *The Book of Discipline*).

Conference Average Compensation
The Denominational Average Compensation but computed by the Administrator with respect only to a specific Conference, and Clergypersons (not including Bishops or Clergy serving General Agencies) appointed to that Conference or its conference-responsible units or conference-controlled entities. Compensation will not be included in the computation of the Conference Average Compensation unless it is reported in a timely fashion to Wespath.

Conference-Elective Entity
Any extension ministry (e.g., an agency, a camp, or a foundation) that is on a Conference's Approved Conference-Elective Ministry List.

Contribution Base
Your Plan Compensation to the extent that it does not exceed 200% of the Denominational Average Compensation.

Denominational Average Compensation (DAC)
The average annual Plan Compensation of Active Participants and participants in the Clergy Retirement Security Program, who, in either case, are currently receiving compensation as full-time Clergypersons, which average is determined in accordance with procedures established by Wespath. Compensation not reported in a timely fashion to Wespath will not be included in the computation of the Denominational Average Compensation.

Mental Illness
A psychiatric or psychological condition classified in the *Diagnostic and Statistical Manual of Mental Health Disorders (DSM),* published by the American Psychiatric Association as of the date the disability is determined to have begun.

Participant
A Clergyperson who: a) has become eligible to participate in CPP, b) has been enrolled in CPP, and c) is either an Active Participant or a Retired Participant. References to "you" and "your" throughout this SPD are references to a Participant.

Plan Administrator
Wespath, an administrative general agency of The United Methodist Church, and any successors.

Plan Compensation
The amount of a Participant's compensation for a Plan Year as determined under the applicable retirement plan in which the Participant participates as determined by Wespath.

Plan or Plan Document
The Comprehensive Protection Plan (CPP) document, effective January 1, 2025.

Plan Sponsor
The Conference, Salary-Paying Unit or general agency as described in the "Plan Sponsor" portion of the "Eligibility" section of this SPD.

Plan Year
The term Plan Year means the 12-month period ending on December 31 of each calendar year.

Pre-Existing Condition
Any condition of health or sickness for which you received medical treatment or consultation within 365 days prior to the date you become an Active Participant and which is the condition (or related to or the cause of the condition) that is the basis for your claim for disability benefits.

Retired Participant
A Participant, other than an Active Participant, who meets the retiree eligibility requirements and who is enrolled in CPP, including participants with a status of "involuntary retirement."

Salary-Paying Unit
One of the following units associated with The United Methodist Church:

- 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 Clergyperson under Episcopal appointment is appointed.

Separation from Service
The end of an Active Participant's appointment resulting in the Active Participant's severance or separation from employment (cessation of work) with the Salary-Paying Unit (e.g., local church) under the common law standard for employment (generally the last day for which remuneration or compensation is made for services performed), or resulting in the participant no longer serving in any capacity at the Salary-Paying Unit.

Spouse
For purposes of the Plan, a person who is married to a Participant (or to a Surviving Spouse) in accordance with the law of the jurisdiction in which the Spouse resides, except that a person who is a "common law" Spouse shall not be a Spouse for the purposes of the Plan. A person who is a Spouse shall still be a Spouse even if the person is geographically or legally separated (but not yet divorced) from the person to whom he or she is married.

Surviving Spouse
Your widow or widower who was married to you on the date of your death.

Transition Benefits
Severance benefits (Transition Payments), CPP death benefits continuation, health plan continuation coverage, and outplacement services offered under VTP.

Transition Participant
An Active Participant as of the date of Separation of Service who satisfies the VTP eligibility requirements.

Transition Payments
Severance benefits payable under VTP.

Transitional Period
A period beginning the first of the month following Separation from Service and lasting a period of time equal to two weeks for every year of continuous appointed service as a Clergyperson, up to a maximum of 26 weeks.

Wespath
Wespath administers the Comprehensive Protection Plan (CPP) and other health, welfare and retirement benefits and investments. Wespath is a general agency of The United Methodist Church.

GENERAL INFORMATION

Name and Address of the Plan Administrator
Wespath
1901 Chestnut Avenue
Glenview, Illinois 60025
(847) 869-4550

Name and Address of the Designated Agent for Service of Legal Process
Wespath
1901 Chestnut Avenue
Glenview, Illinois 60025
(847) 869-4550

Name and Address of the Third-Party Claims Administrator for Disability Benefits
Lincoln Financial Group
8755 West Higgins Road
Suite 200
Chicago, IL 60631

Internal Revenue Service Identification Number
The corporate tax identification number assigned by the Internal Revenue Service to Wespath is 36-2166979.

Method of Funding Benefits
Disability and death benefits are self-funded or self-insured from accumulated assets and are provided directly from the Protection Benefit Trust of The United Methodist Church. Assets of the CPP and Protection Benefit Trust may be used to support funding of United Methodist legacy pension plans in certain circumstances as determined in the sole discretion of Wespath.

Wespath
1901 Chestnut Avenue
Glenview, Illinois 60025-1604
wespath.org