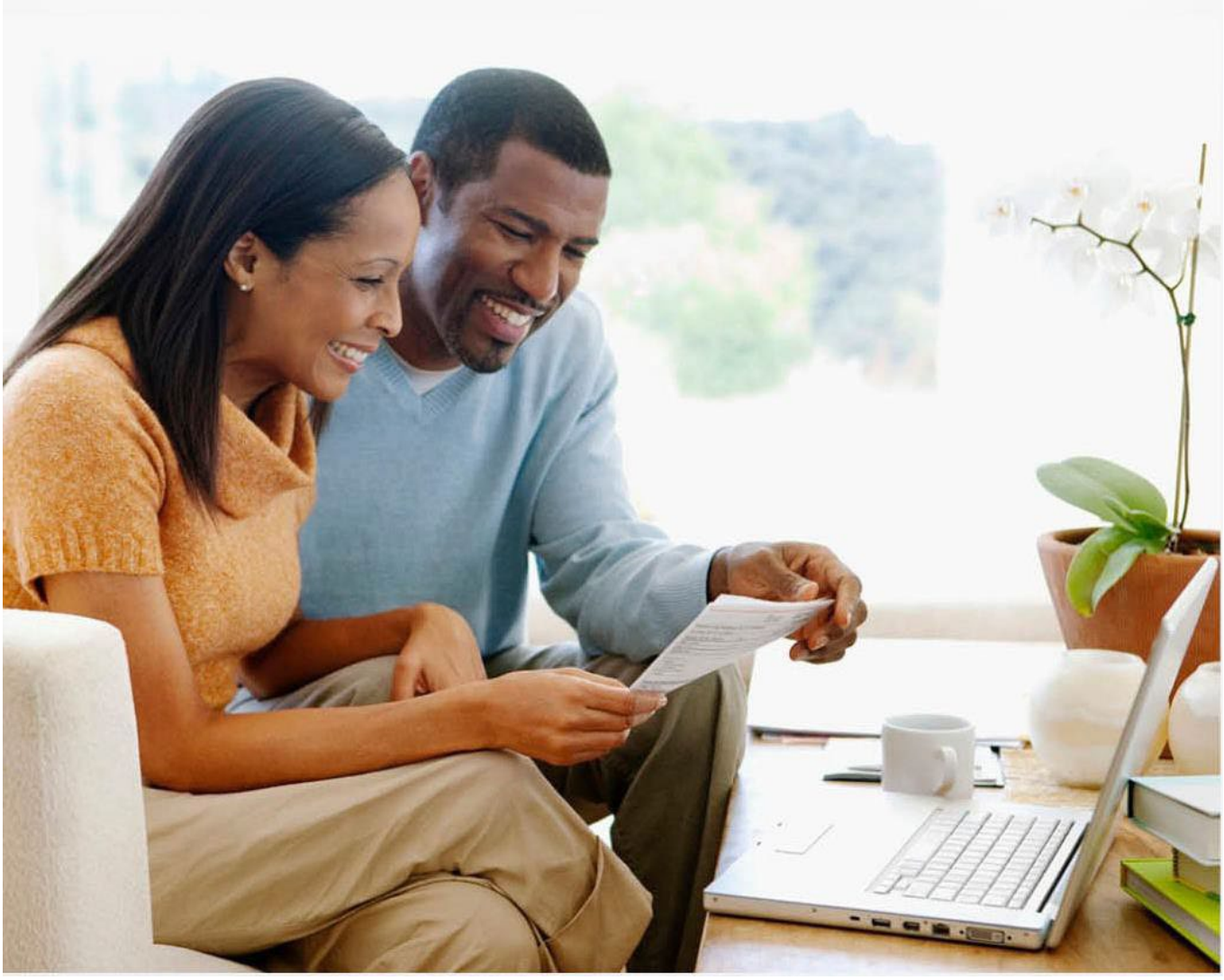
Wespath

SUMMARY PLAN DESCRIPTION

# Clergy Retirement Security Program (CRSP)



For additional information regarding CRSP or the other plans administered by Wespath, investments or financial planning, please visit the Wespath website—**wespath.org**.

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

# Table of Contents


**Clergy Retirement Security Program** ..... **5**
- **IMPORTANT INFORMATION** ..... **5**
- **INTRODUCTION** ..... **7**
  - *Who Is Eligible to Participate?* ..... *8*
  - *How and When You Enroll* ..... *8*
- **DEFINED BENEFIT COMPONENT** ..... **9**
  - *Monthly Benefit Formula* ..... *9*
- **How Service Counts** ..... **10**
  - *Returning to Work After a Break in Service* ..... *10*
  - *When Your Defined Benefit Is Paid* ..... *11*
  - *How Your Defined Benefit Is Paid—Forms of Benefit* ..... *12*
- **DEFINED CONTRIBUTION COMPONENT** ..... **14**
  - *Contributions to Your Account* ..... *14*
  - *Beneficiary Designation* ..... *15*
  - *Investment of Your Accounts* ..... *18*
  - *Access to Your Defined Contribution Account* ..... *20*
  - *How Your Defined Contribution Benefit Account Is Paid* ..... *23*
  - *LifeStage Retirement Income* ..... *23*

**Ministerial Pension Plan** ..... **27**
- **MPP CONTRIBUTIONS** ..... **27**
  - *Your Contribution Base X Your Contribution Rate* ..... *27*
  - *Contribution Base* ..... *27*
  - *Contribution Rate* ..... *27*
- **MPP ACCOUNT INVESTMENTS** ..... **27**
- **MPP BENEFICIARY** ..... **28**
- **ACCESS TO YOUR MPP ACCOUNT** ..... **28**
  - *Retirement* ..... *29*
  - *Termination* ..... *29*
  - *Small Accounts* ..... *29*
  - *Disability* ..... *30*
  - *Required Beginning Date* ..... *30*
  - *Death* ..... *30*
  - *Forms of Benefit* ..... *31*

**Pre-82 Plan** ..... **33**

**Other Information** ..... **35**
- **CLAIMS AND APPEALS** ..... **35**
  - *Submitting a Claim for an Account Distribution* ..... *35*
  - *Denial of the Application or Claim* ..... *35*
  - *Taxation Considerations* ..... *36*
- **Other Information** ..... **38**
  - *Assignment of Benefits and Qualified Domestic Relations Orders (QDROs)* ..... *38*
  - *Non-Alienation of Benefits* ..... *38*
  - *Benefits While on Military Leave* ..... *39*
  - *How Unclaimed, Relinquished or Disclaimed Benefits Can Be Delayed or Forfeited* ..... *39*
  - *Non-Reversion* ..... *39*
  - *Ineligible Contributions* ..... *40*
  - *Bankruptcy and Your CRSP Benefits* ..... *40*
  - *If CRSP Is Terminated or Modified* ..... *40*
  - *Plan Administrator* ..... *40*

*CRSP Name, Plan Type and Plan Year* ..... *40*
*Special Securities Laws* ..... *41*
*Agent for Service of Legal Process* ..... *41*
*CRSP Trustee* ..... *41*

**Glossary** ..... **42**
*Matching Contribution means a type of contribution made to your Account in proportion to contributions you made to PIP.* ..... *45*

# Clergy Retirement Security Program

## IMPORTANT INFORMATION

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

Effective January 1, 2026, the Compass Retirement Plan (Compass) will replace CRSP as the primary retirement plan for eligible Clergy. Compass is a Defined Contribution plan, whereas CRSP includes both Defined Benefit and Defined Contribution components. In connection with this transition, the CRSP Defined Benefit plan will be frozen effective January 1, 2026 (the "Freeze Date"). As of the Freeze Date, no additional Credited Service will accrue under the CRSP Defined Benefit.

The Accrued Benefit earned under the CRSP Defined Benefit plan will continue to increase while you remain active, at an annual rate of 2% until you become a Terminated Participant or Retire. Neither Final DAC nor final compensation will be frozen. Future contributions will be made to Compass and CRSP Defined Contribution balances will be transferred to Compass at a later date.

Beneficiary designations made under CRSP as of January 1, 2026, will automatically apply to Compass unless updated. Additionally, any CRSP waiver in effect as of the Freeze Date, does not carry over; a new waiver is required for Compass.

Also starting on January 1, 2026, Participants who have a Critical or Terminal Illness may be exempt from the mandatory LifeStage Retirement Income distribution requirement for their 65% MPP balance. To qualify, you must meet Wespath's established procedures. The *Critical and Terminal Illness Certification Form* must be completed by both you and your physician.

For additional details about your retirement benefits and the transition from CRSP to Compass, please review the Compass SPD or contact Wespath or your Conference.

You will notice that some words used in this SPD begin with capital letters. These words have special meanings and are addressed in a glossary at the end of this SPD to assist you in better understanding your benefits.

Please keep in mind as you read this SPD that it is a summary of CRSP's main features and not a detailed description of all provisions. The complete details of CRSP can be found in the official CRSP plan document, which is available upon request. You can always access the most current version of the SPD and plan document on the Wespath website—**wespath.org**.

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

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

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

**Bishops may refer to the supplemental brochure *CRSP for Bishops* for plan provisions unique to bishops.**

## INTRODUCTION

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

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

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

Here is an overview of how CRSP works:

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

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

## PARTICIPATION IN THE PLAN

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

**Bishops may refer to the supplemental brochure *CRSP for Bishops* for plan provisions unique to bishops.**

### Who Is Eligible to Participate?

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

- Under full-time Episcopal appointment to a local church, pastoral charge, district or Conference-elective agency, camp, foundation or other entity specified by the Conference and receiving eligible Compensation for your services (including local pastors, deacons and ministers of other denominations);
- Under half-time or three-quarter-time Episcopal appointment to a local church, pastoral charge, district or Conference-elective agency, camp, foundation or other entity specified by the Conference; receiving eligible Compensation for your services (including local pastors, deacons and ministers of other denominations); and your Plan Sponsor has elected to cover your appointment percentage on its Adoption Agreement;
- Receiving Disability benefits under the Comprehensive Protection Plan (CPP) and appointed full-time (or at least half-time or three-quarter-time if elected by your Plan Sponsor on its Adoption Agreement) at some time during the 24 months (excluding periods while on leave of absence) immediately preceding the effective date of your CPP Disability benefits;
- On Medical Leave but not receiving CPP Disability benefits if:
  - Medical Leave is elected by your Conference as an eligible category for participation; and
  - you were appointed full-time (or at least half-time or three-quarter-time if elected by your Plan Sponsor on its Adoption Agreement) at some time during the 24 months (excluding periods while on leave of absence) immediately preceding the effective date of your Medical Leave; or
- A bishop of The United Methodist Church, elected by a jurisdictional conference, effective on or after September 1, 2008.

If you are a Retired member of a Conference and appointed after Retirement, you may receive distributions from CRSP (and its supplements) as a Retired Participant. However, you are not eligible to enroll in CRSP as a Participant and accrue benefits as a United Methodist Clergyperson under Episcopal appointment unless you are returned to the effective relationship by your Conference. You will also not be eligible to enroll in CRSP as a Participant and accrue benefits as a United Methodist Clergyperson under Episcopal appointment if you Terminate Conference Relationship or are appointed to a General Agency.

### How and When You Enroll

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

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

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

In connection with the transition to Compass, CRSP was frozen effective January 1, 2026. Any CRSP waiver in effect as of that date, does not carry over; a new waiver is required for Compass.

## DEFINED BENEFIT COMPONENT

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

In connection with the transition to Compass, the CRSP Defined Benefit Plan was frozen effective January 1, 2026. As of that date, no additional Credited Service will accrue. Your Accrued Benefit will continue to increase at an annual rate of 2% while you remain an active participant, until you terminate or Retire.

For additional information about your retirement benefits and the transition from CRSP to Compass, please review the Compass SPD or contact Wespath or your Conference. Additional information regarding retirement benefits, the transition from CRSP to Compass, and related materials is available on the Wespath website at **wespath.org**.

### Monthly Benefit Formula

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

> 1.25% x Final DAC[1] x Years of Credited Service from January 1, 2007 through December 31, 2013 ÷ 12
> Plus 1.00% x Final DAC[2] x Years of Credited Service after December 31, 2013 ÷ 12

The following benefit calculation is for a hypothetical clergy member with these criteria:

- Retires July 1, 2015, after 25 years of service in the denomination
- Is not married
- Has 8½ years of full-time credited service under CRSP—January 1, 2007 through July 1, 2015
- Assumes the 2015 DAC is $67,000

Here is how Wespath calculates this clergy member's CRSP monthly DB benefit:

> 1.25% (0.0125) x $67,000 (DAC) x 7 (Years of Credited Service) ÷ 12 = $488.54
> Plus 1% (.01) x $67,000 x 1.5 ÷ 12 = $83.75. The monthly benefit would be $572.29.

[1] Final compensation substitutes for DAC for periods of service as a bishop.

[2] Final compensation substitutes for DAC for periods of service as a bishop.

## HOW SERVICE COUNTS

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

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

If you are appointed to less than a full-time appointment, CRSP determines your Credited Service by multiplying the percentage of your appointment by the days of Service you completed (rounded to the next whole day of Service). If your part-time appointment is not specified at a specific percentage, CRSP assumes you are serving a 50% appointment. But you will earn Credited Service for part-time appointments only if your annual conference has elected to cover your degree of part-time appointment (half-time or three-quarter-time). You may have accrued Credited Service prior to 2014 if you were appointed to a quarter-time appointment.

You will not be eligible to accrue benefits if you Terminate Conference Relationship or are appointed to a General Agency.

**Example A:**
If you are appointed at half-time to a local church, complete 730 days of Service during that appointment and your Plan Sponsor elects to cover half-time appointments under CRSP, you would receive one Year of Credited Service:

- **50% x 730 days = 365 days of Service = One Year of Credited Service**

**Example B:**

| Period | Appointment | Appointment Percentage | Days of Service | Credited Service |
|---|---|---|---|---|
| 01/01/12 – 06/30/13 | First UMC | 100% | 546 days | 1.4959 years |
| 07/01/13 – 09/30/13 | Wesley UMC | 100% | 92 days | .2521 years |
| 10/01/13 – 06/30/14 | Family Leave of Absence | 100% | 0 days | None |
| 07/01/14 – 06/30/15 | Asbury UMC | 50%* | 365 days | 0.5000 years |
| 07/01/15 – 06/30/16 | Asbury UMC | 25% | 365 days | None |
| **Total Years of Credited Service** | | | | **2.2480 years** |

* The Plan Sponsor elected to cover clergy appointed on a half-time basis.

### Returning to Work After a Break in Service

A Break in Service occurs when you have Retired or incurred a Termination of Conference Relationship. If you were participating in CRSP before your Termination of Conference Relationship or Retirement and you later return to the effective relationship with a Conference (pursuant to ¶357.7 of *The Book of Discipline*) before beginning your benefit, you can participate in CRSP if you again become eligible. You will be able to earn Accrued Benefits for the new period, but you will not receive Credited Service for the time period during your Break in Service.

Your Accrued Benefit will be calculated as follows: Your Credited Service before a one-year Break in Service will be multiplied by the DAC in effect when your Break in Service began. Your Credited Service

after your one-year Break in Service will be multiplied by the DAC in effect at your Retirement (or later Break in Service). Your Accrued Benefit will be the sum of these two separate calculations.

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

## When Your Defined Benefit Is Paid

You can begin receiving your Defined Benefit upon:

- Age 62 after Termination of Conference Relationship
- Termination by withdrawal, discontinuance, or revocation of credentials on or after February 26, 2019 (the close of the 2019 Special Session of General Conference) for elders and deacons in full membership.
- Termination by withdrawal, discontinuance, or revocation of credentials on or after May 4, 2024 (the close of the 2024 General Conference) for local pastors, associate members and provisional members.
- Retirement—either after 30 years of Service or at age 62
- Age 62 if you Retire after 20 years of Service under ¶357.2a of *The Book of Discipline*

If you elect to receive benefits before Normal Retirement Date, your benefit will be reduced. See the “Early Retirement Reduction” section on page 12 for more information.

**Retirement**
In no case are you “Retired” until you are granted the Retired relationship by your Conference. Retirement provisions for Clergy are governed by ¶357 of *The Book of Discipline*. Please consult the Disciplinary language or speak with someone in your Conference office for more information on Retirement eligibility and the Retirement process.

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

- the year in which you reach between age 70½ and 75, depending on your birthdate or
- the year in which you Retire.

Starting your CRSP Defined Benefit by the Required Beginning Date satisfies your RMD responsibility for your Defined Benefit under the Internal Revenue Code (Code). (See the “Required Minimum Distributions” section on page 22.)

**Termination**
If you incurred a Terminations of Conference Relationship, you can begin receiving your Defined Benefit when you attain age 62. You cannot elect to begin monthly benefits before you reach age 62, unless you are an active elder or deacon in full membership of The United Methodist Church and terminate your Conference relationship by withdrawal, discontinuance , or revocation of credentials on or after the close of the 2019 Special Session of General Conference (February 26, 2019); or May 4, 2024 (the close of the 2024 General Conference) for local pastors, associate members and provisional members. In this case, you will receive your Defined Benefit as soon as administratively possible upon termination.

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

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

## How Your Defined Benefit Is Paid—Forms of Benefit

### Normal Form

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

- Married at the time you begin your CRSP Defined Benefit, the normal form of benefit is a "Life & 70% Survivor" annuity to you and your surviving Spouse (determined at your annuity starting date). The portion of your benefit that is based on Credited Service accrued after December 31, 2013 will be actuarially reduced to reflect the cost of providing the 70% surviving Spouse benefit.
- Not married at the time you begin your CRSP Defined Benefit, the normal form of benefit is a "Life Only" annuity. If you are married later, your Spouse will not be entitled to a surviving Spouse benefit.

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

- If you incurred a Termination of Conference Relationship and are not married at the time you begin receiving benefits, the normal form of benefit is a "Life Only" annuity with a 0% annual increase. You may elect to change the standard 0% increase to 2%, 3%, 4% or 5%. If so, the benefit will be reduced to reflect the cost of providing an annual benefit increase.
- If you incurred a Termination of Conference Relationship and are married at the time you begin receiving benefits, the normal form of benefit is a "Life & 70% Survivor" annuity with a 0% annual increase. The benefit will be actuarially reduced to reflect the cost of providing the 70% surviving spouse benefit. You may elect to change the standard 0% increase to 2%, 3%, 4% or 5%. If so, the benefit will be further reduced to reflect the cost of providing an annual benefit increase.

### Optional Forms

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

- Are a married Clergyperson with a Retired Conference relationship, the optional forms of benefit for the amount of your benefit that is based on Credited Service accrued before January 1, 2014 is a "Life & 100% Survivor" or "Life & 85% Survivor" annuity payable upon your death. For the amount of your benefit that is based on Credited Service accrued after December 31, 2013, the optional forms of benefit are:
  - a "Life Only" annuity,
  - a "Life & 85% Survivor" annuity,
  - a "Life & 100% Survivor" annuity,
  - a "Life with 5-year Certain" annuity, or
  - a "Life with 10-year Certain" annuity.

Your Spouse must consent to the election of these optional forms of benefit if the benefit elected provides your Spouse with a lower survivor benefit than a Life & 70% Survivor benefit.

- Are an unmarried Clergyperson at the time of Retirement or a terminated Clergyperson, the optional forms of benefit are:
  - a "Life & 70% Survivor" annuity,
  - a "Life & 85% Survivor" annuity,
  - a "Life & 100% Survivor" annuity,

- a “Life with 5-year Certain” annuity, or
- a “Life with 10-year Certain” annuity.

- Have a disabled child, CRSP allows you to name your disabled child as a secondary contingent annuitant with the payment of survivor benefits to a special needs trust in the child’s name.

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

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

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

Notwithstanding the above stated forms of benefit**,** if you are an active elder or deacon in full membership of The United Methodist Church and terminate your Conference relationship by withdrawal, discontinuance , or revocation of credentials as of the close of the 2019 Special Session of General Conference (February 26, 2019); or an active local pastor, associate member or provisional member and terminate your Conference relationship on or after May 4, 2024 (the close of the 2024 General Conference), your Aggregate Defined Benefit will be converted to an actuarially equivalent account balance as soon as administratively possible. The conversion will use actuarial factors corresponding to those used when determining annual conference plan sponsor contributions to CRSP. The Aggregated Defined Benefit and your Vested Account Balances will be transferred to an individual account in PIP, with such transferred amounts subject to the terms of PIP.

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

**Small Benefit**
If the total monthly benefit or annuities paid from Wespath-administered plans is less than $100, Wespath will transfer the actuarial equivalent of your CRSP Accrued Benefit to your CRSP Defined Contribution Account instead of paying monthly CRSP benefits. This transfer will not occur if you are a Disabled Participant or Disabled Terminated Participant (unless you consent). The actuarial equivalents of any other monthly benefits will be transferred or distributed based on the provisions of each applicable plan. See “Access to Your Defined Contribution Account” on page 19 to learn more about distribution options for your CRSP Defined Contribution Account.

## DEFINED CONTRIBUTION COMPONENT

In connection with the transition to Compass, the CRSP Defined Contribution plan was frozen effective January 1, 2026. No further contributions will be made to the CRSP Defined Contribution plan after that date. Future contributions will be made to Compass, and existing CRSP Defined Contribution account balances will be transferred to Compass at a later date.

For additional information about your retirement benefits and the transition from CRSP to Compass, please review the Compass SPD or contact Wespath or your Conference. Additional information regarding retirement benefits, the transition from CRSP to Compass, and related materials is available on the Wespath website at **wespath.org**.

### Contributions to Your Account

Once you are enrolled in CRSP, your Conference contributes to the DC component of CRSP on your behalf as long as you are eligible and receiving Compensation. Non-matching Contributions to your Account are made monthly in the amount of 2% of your Compensation. Monthly Matching Contributions may also be made to your Account in an amount equal to your participant contributions to PIP, up to a maximum of 1% of your Compensation.

**Examples:**
If your Compensation is $60,000 for the 2014 calendar year, the annual amount of your Non-matching Contribution to your CRSP Defined Contribution Account will be 2% of $60,000, or $1,200:

- **$60,000 x 2% = $1,200**

If you contribute 5% of your Compensation to PIP, the January Matching Contribution to your CRSP Defined Contribution Account will be 1% of your monthly Compensation of $5,000 or $50:

- **The lesser of $250 (5% Personal Contribution)**, or
- **1% x $5,000 (monthly Compensation) = $50**

The matching contribution is calculated on a year-to-date basis and contributed monthly. Therefore, if you contribute more than 1% in a certain month, you may receive a matching contribution in a subsequent month, even if you stop contributing. This will not apply if you move to another conference, however.

If you decide to stop your Personal Contributions effective February 1st, even though you stopped contributing in February, you will still receive a Matching Contribution for February:

- **The lesser of $250 (year-to-date Personal Contributions)**, or
- **1% x $10,000 (year-to-date Compensation)**
  **= $100 (year-to-date Matching Contribution) — $50 (Matching Contribution earned for January)**
  **= $50 (February Matching Contribution)**

If you contribute less than 1% of your Compensation in the early months of a year and then make up for it in later months, you will also receive a Matching Contribution for up to 1% of your year-to-date Compensation.

If you are receiving CPP Disability benefits and continue to be eligible to participate in CRSP after becoming Disabled, CPP will make the monthly Non-matching Contributions to the DC component of CRSP in the amount of 2% of your deemed Compensation under CPP. If you make Participant contributions to PIP from your CPP Disability benefit, CPP will make Matching Contributions to the DC component of CRSP equal to your Participant contributions to PIP, up to a maximum of 1% of deemed Compensation. This deemed Compensation starts as the Compensation you received immediately preceding your Disability and increases by 3% each year, starting with the year following the year of the effective date of your CPP disability benefit. If you no longer have a Conference relationship with The United Methodist Church

because a Termination of Conference Relationship has occurred, such as the surrender of your ministerial or local pastor credentials, you will no longer be eligible to receive the CPP contribution to CRSP.
If you are on Medical Leave and your Plan Sponsor has elected to make CRSP contributions on your behalf, your Plan Sponsor will make the monthly Non-matching Contributions to the DC component of CRSP in the amount of 2% of your deemed Compensation. If you make Participant contributions to PIP, your Plan Sponsor will make Matching Contributions to the DC component of CRSP equal to your Participant contributions to PIP, up to a maximum of 1% of deemed Compensation. This deemed Compensation starts as the Compensation you received immediately preceding your Medical Leave and increases by 3% each year, starting with the year following the year you first went on Medical Leave. If you no longer have a Conference relationship with The United Methodist Church because a Termination of Conference Relationship has occurred, such as the surrender of your ministerial or local pastor credentials, you will no longer be eligible to receive this CRSP contribution.

**Contribution Limitation and Excess Contributions**
Generally, the total amount of CRSP contributions and any contributions to your Personal Investment Plan (PIP) for the year cannot exceed the lesser of the following:

- $70,000 in 2025 (or as indexed in later years), or
- 100% of your 415 Compensation.

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

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

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

**How to Keep Track of Your Accounts**
You can access your account information and your quarterly account statements in Benefits Access (**benefitsaccess.org**). Quarterly statements list the contributions remitted during the previous quarter, plus any earnings (or minus any losses), and other transactions.

## Beneficiary Designation

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

In connection with the transition to Compass, CRSP was frozen effective January 1, 2026. Beneficiary designations in effect under CRSP as of that date were carried over to Compass and will automatically apply unless updated.

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

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

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

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

**Participant Designation**
You may designate a Beneficiary by logging into your account at **benefitsaccess.org**. If you are not able to go online, you may submit a completed *Beneficiary Designation Form* to Wespath. A valid designation will override the plan designation indicated above, as long as you comply with the following rules. If you want to direct payment to someone in addition to, or instead of, your Spouse or estate, it is important that you designate a Beneficiary. In order to be valid, beneficiary designations must be received by Wespath during your lifetime.

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

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

- at your death, you are legally separated from or abandoned by your Spouse and you (or your heirs) produce a court order confirming such separation or abandonment,
- your Spouse disclaims all benefits from your Account in writing before receiving them,
- your Spouse cannot be located, or
- you have a qualified domestic relations order (QDRO) requiring all or a portion of your benefits to be paid to an Alternate Payee under the QDRO. (See the “Assignment of Benefits and Qualified Domestic Relations Orders (QDROs)” section on page 37.)

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

- Wespath receives and approves a QDRO that requires CRSP to pay benefits to your former Spouse as your Beneficiary, or
- you designated your former Spouse as your Beneficiary in Benefits Access or on a *Beneficiary Designation Form* with Wespath after your divorce.

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

not alive at your death or disappearance, or cannot be located after your death or disappearance, your secondary Beneficiary may receive your Account.

You may designate beneficiaries by logging onto **benefitsaccess.org**. If you cannot access your account online, you may request a *Beneficiary Designation Form* from your Conference or Wespath. After completing this form, please sign it and return the original to Wespath. Your *Beneficiary Designation Form* is valid only if it is received by Wespath during your lifetime or if the form is postmarked or sent by private courier [such as FedEx or the United Parcel Service (UPS)] to Wespath before your death. The most current election made online or on a valid *Beneficiary Designation Form* will revoke all previous forms.

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

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

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

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

Please keep your Beneficiary designations up-to-date. You may change or view your current Beneficiary designations on Benefits Access at **benefitsaccess.org**. Any time you make a change, Wespath will send you a Beneficiary confirmation by email or mail. You also should keep a copy of the most recent Beneficiary confirmation you receive and Designation form if you sent one to Wespath.

If your Beneficiary dies or you divorce, you may wish to change your Beneficiary designation. In addition, please provide Wespath with your Beneficiary’s address and phone number and keep it up-to-date. If your Beneficiary does not submit a claim for benefits at your death or Wespath cannot locate your Beneficiary, he or she may forfeit the benefits.

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

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

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

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

## Investment of Your Accounts

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

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

- Stable Value Fund
- U.S. Treasury Inflation Protection Fund
- Inflation Protection Fund
- Social Values Choice Bond Fund
- Fixed Income Fund
- Extended Term Fixed Income Fund
- Multiple Asset Fund
- U.S. Equity Fund
- U.S. Equity Index Fund
- Social Values Choice Equity Fund
- International Equity Fund
- Short Term Investment Fund
- International Equity Index Fund

The investment funds available in Wespath-administered retirement plans are intended for investors with a long-term time horizon. With the exception of the Stable Value Fund, you may not purchase units in a particular fund for 60 days after selling units in the same fund (this applies only to interfund transfers—not to new contributions, rollovers, loans or withdrawals). Interfund purchases of shares in the Stable Value Fund may be executed at any time.

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

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

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

Defined Contribution Accounts are those for which you select the investments. You can determine how your Accounts are invested among Wespath's investment funds, or you can allow LifeStage Investment Management to create a customized portfolio for you.

The following are Defined Contribution Accounts, although you may not have balances in all of them:

- CRSP Defined Contribution (CRSP DC)
- Personal Investment Plan (PIP)
- Compass Retirement Plan
- Horizon 401(k) Plan (Horizon)

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

**LifeStage Investment Management**
You may choose LifeStage Investment Management, or it might apply by default to your Account. The service currently allocates the contributions made on your behalf among a selection of Wespath's investment funds. The allocation, or investment mix, represents your individual investment portfolio. It is based on your age, the assets in your Wespath retirement Accounts and the answers you may provide to the LifeStage Personal Investment Profile.

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

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

For more information about available investment funds, including fund objectives, historical performance and benchmarks, check the Wespath website at **wespath.org**.

**Making Your CRSP Investment Elections**
You may make two types of investment fund changes:

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

To change your investment fund choices, you can visit Benefits Access at **benefitsaccess.org**. Benefits Access allows you to access information about your CRSP Defined Contribution Account and make changes 24 hours a day, seven days a week.

If you have not yet registered for Benefits Access, click "New User Registration" and follow the prompts.

**Keeping Track of Your Accounts**
You can access your account information and your quarterly account statements in Benefits Access (**benefitsaccess.org**). Quarterly statements list the contributions remitted since the last quarter, plus any earnings (or minus any losses), and other transactions.

## Access to Your Defined Contribution Account

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

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

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

You may leave your Defined Contribution Account balance in CRSP and begin taking the required distributions on your Required Beginning Date (see the "Required Minimum Distributions" section on page 22).

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

### Termination of Conference Relationship and Retirement

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

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

- If the total value of your CRSP Account exceeds $1,000 but does not exceed $5,000 and you do not request a lump-sum distribution or a rollover to another eligible plan or IRA, Wespath will automatically roll over your CRSP Account into an IRA in your name provided by a custodian designated by Wespath.
- If the total value of your CRSP Account at Termination of Conference Relationship or Retirement is $1,000 or less and you do not request a distribution or a rollover to another eligible plan or IRA, Wespath will automatically pay your CRSP Account to you as a lump-sum distribution as soon as administratively possible.
- Notwithstanding the previous two bullets, if you are an active elder or deacon in full membership of The United Methodist Church and terminate your Conference relationship by withdrawal, discontinuance, or revocation of credentials as of the close of the 2019 Special Session of General Conference (February 26, 2019); or an active local pastor, associate member or provisional member and terminate your Conference relationship on or after May 4, 2024 (the close of the 2024 General Conference), your Aggregate Defined Benefit will be converted to an actuarially equivalent account balance. The conversion will use actuarial factors corresponding to those used when determining annual conference plan sponsor contributions to CRSP. The Aggregated Defined Benefit and your Vested Account Balances will be transferred to an individual account in PIP, with such transferred amounts subject to the terms of PIP.

### Disability

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

You are considered Disabled, for distribution purposes, if you are determined to be disabled by the Social Security Administration or under the terms of CPP, another long-term disability plan provided by your Plan Sponsor, if you are on Medical Leave, or if you are a Terminated Participant and deemed disabled by a Wespath-selected third party vendor. If you are Disabled, you may withdraw all or any portion of your Defined Contribution Account (or you may leave it on Account).

You are considered permanently Disabled, for distribution purposes, if you are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of indefinite duration. If you are permanently Disabled, distributions

you receive before turning age 59½ may not be subject to a 10% early withdrawal penalty. If you are not considered permanently Disabled, you may owe the 10% penalty on any distributions you receive before you turn age 59½. Contact the IRS for more information regarding the excise tax and any reporting requirements.

**Defined Contribution Distributions Upon Death**

Your CRSP Defined Contribution Account is payable to your Beneficiary (see the "Beneficiary Designation" section on page 14) if you die before benefit payments begin or before your entire Account is paid out to you. In each case, Wespath must pay your Account to your Beneficiary in accordance with the RMD rules. Wespath may require that your Beneficiary provide proof of your death and other information with the claim.

**Death Before Receiving Benefits**

***Spousal Beneficiary and Eligible Designated Beneficiary***

If your Beneficiary is your Spouse or is an Eligible Designated Beneficiary, after your death, your Spouse or Eligible Designated Beneficiary may elect to:

- receive payment immediately,
- receive payment over his or her remaining life expectancy (must be elected within the calendar year following your death),
- defer payment until December 31 of the calendar year of the tenth anniversary of your death. If this is elected, the entire balance is treated as an RMD in the 10th year and is not eligible for rollover.

If you die before your Required Beginning Date and your Spouse's required beginning date is on or after 1/1/2025, and your spouse is the sole Beneficiary of your retirement accounts and has not begun receiving RMDs, your Spouse's RMDs will be calculated using the Uniform Lifetime Table and your Spouse's remaining life expectancy, generally resulting in smaller RMDs.

If your Beneficiary is your Spouse, after your death, your Spouse may elect to defer payment no later than the Required Beginning Date in the following chart:

| If the deceased participant's **Birth Date** was… | Your Surviving Spouse's Required Beginning Date is December 31 of the year after the year of the participant's death, or December 31 of the year they would have reached this age, whichever is later: |
|---|---|
| Before July 1, 1949 | 70 ½ |
| July 1, 1949 - December 31, 1950 | 72 |
| January 1, 1951 - December 31, 1959 | 73 |
| On or after January 1, 1960 | 75 |

Your Spouse or Eligible Designated Beneficiary may request a direct rollover into another qualified plan or IRA (as long as your Account is greater than $200). If your surviving Spouse or Eligible Designated Beneficiary dies before receiving the distribution of your entire Account, Wespath will pay your surviving Spouse's or Eligible Designated Beneficiary's Beneficiary within 10 years of your surviving Spouse's or Eligible Designated Beneficiary's death.

***Non-Spouse Beneficiary who is not an Eligible Designated Beneficiary***

If you die before you start receiving benefits or before your Required Beginning Date, your non-Spouse Beneficiary who is not an Eligible Designated Beneficiary may choose to:

- receive payment immediately, or
- defer payment until as late as December 31 of the calendar year of the tenth anniversary of your death.
- receive partial lump-sums or cash installments over the ten-year period described in the previous bullet (see the "Retirement Income (also known as Cash Installments)" section on page 23), or
- request a direct rollover into an inherited IRA (as long as your Account is greater than $200).

If your Beneficiary is your estate or another non-individual, such entity may elect to receive your remaining benefits in a lump sum or to defer payment until as late as December 31 of the calendar year of the fifth

anniversary of your death. In the case of certain trusts whose only beneficiaries are one or more individuals who are Eligible Designated Beneficiaries, the trust may receive direct distributions over the life expectancy of the individual with the longest life expectancy (must be elected within the calendar year following your death).

Your non-spousal Beneficiary who is not an Eligible Designated Beneficiary may request a direct rollover into another qualified plan or IRA (as long as the Account balance is greater than $200 and the amounts to be rolled over are not RMDs). If your surviving non-spousal Beneficiary who is not an Eligible Designated Beneficiary dies before receiving the distribution of your entire Account, Wespath will pay the balance to his or her Beneficiary.

**Death After You Begin Receiving Benefits**

If you die after your Required Beginning Date, your surviving Spousal Beneficiary or Eligible Designated Beneficiary may elect to receive payment immediately in a lump sum or to receive payment over the longer of what remains of your life expectancy at the time of your death or your surviving Spouse's or Eligible Designated Beneficiary's life expectancy. Non-spouse Beneficiaries who are not Eligible Designated Beneficiaries may elect to receive payment immediately in a lump sum or to receive payment by December 31 of the calendar year of the tenth anniversary of your death.

If your Beneficiary is your estate, or another non-individual, such entity may elect to receive your remaining benefits in a lump-sum or to defer payment until as late as December 31 of the calendar year containing the fifth anniversary of your death. In the case of certain trusts whose only beneficiaries are one or more individuals who are Eligible Designated Beneficiaries, the trust may receive direct distributions over the life expectancy of the individual with the longest life expectancy.

If your Beneficiary chooses not to receive an immediate payment of your Account, he or she may name a Beneficiary to receive payment in the event of his or her death. (See the "Beneficiary Designation" section on page 14.)

**Required Minimum Distributions (RMDs)**
You must begin receiving RMDs from your Account by your Required Beginning Date according to the following chart:

| If your **Birth Date** is… | Your **Required Beginning Date** is April 1 after the year you retire or April 1 after the year in which you reach the age below, whichever is later: |
|---|---|
| Before July 1, 1949 | 70 ½ |
| July 1, 1949 - December 31, 1950 | 72 |
| January 1, 1951 - December 31, 1959 | 73 |
| On or after January 1, 1960 | 75 |

For each subsequent year (and possibly the year of your initial distribution), you must receive an RMD by December 31 of that year.

To satisfy the RMD requirements, you must receive an amount that would be distributed proportionately over your expected lifetime (or the expected lifetimes of you and your Spouse or Eligible Designated Beneficiary) or at a faster rate. Distributions over someone's expected lifetime may be accomplished by electing LifeStage Retirement Income, described in the following section. Wespath may need to make an additional payment to you, if necessary, to meet the RMD requirement for that year. The amount of the RMD is determined by IRS regulations, which are subject to change. If you do not request a distribution that satisfies the RMD rules by the Required Beginning Date, Wespath may automatically distribute the minimum amount to you. Although Wespath may distribute the amount to you, you are solely responsible for satisfying IRS rules and regulations.

Receiving an RMD is a very important responsibility under the Code. The Code requires that you receive a

minimum amount by a certain date. If you do not take a minimum distribution, the IRS may impose a penalty of up to 25% of the amount that you should have taken. Consequently, it is important that you understand the IRS rules and regulations. Because Wespath cannot provide tax advice, we suggest that you contact the IRS or seek the advice of a financial planner, estate planner, tax adviser or attorney. Please refer to the Required Minimum Distributions brochure at **wespath.org/r/rmd** that summarizes the RMD rules, how to evaluate your options and what you need to do to start receiving payments.

## How Your Defined Contribution Benefit Account Is Paid

### Forms of Payment

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

### Single-Sum (or Lump-Sum)

You may elect to receive one cash payment (single-sum or lump-sum) equal to your Account value as of the Accounting Date coinciding with or immediately before the date of distribution.

### Partial Lump-Sum

You may not want to receive a single-sum distribution due to tax consequences and loss-of-earnings potential. Instead, you may want to receive a lesser amount to meet your current financial needs. If so, you may elect a partial-sum distribution. This form of payment is available to you up to the value of your vested Account. If you have attained your required beginning date, you must elect partial-sum distributions at least equal to the RMD each year. (Please see the “Required Minimum Distributions” section.)

### Retirement Income (also known as Cash Installments)

As an alternative to a lump-sum or partial payment, you may elect retirement income payments. Retirement income is a series of distributions taken from your Account on a monthly or annual basis. Your Account continues to be subject to investment gains, losses and expenses while you are receiving retirement income payments. Retirement income payments are subject to rules established by Wespath and RMD regulations.

> If you are an active elder or deacon in full membership of The United Methodist Church and terminate your Conference relationship by withdrawal, discontinuance, or revocation of credentials on or after the close of the 2019 Special Session of General Conference (February 26, 2019); or May 4, 2024 (the close of the 2024 General Conference) for active local pastors, associate members and provisional members, your Aggregate Defined Benefit will be converted to an actuarially equivalent account balance. The conversion will use actuarial factors corresponding to those used when determining annual conference plan sponsor contributions to CRSP. The Aggregated Defined Benefit and your Vested Account Balances will be transferred to an individual account in PIP, with such transferred amounts subject to the terms of PIP.

## LifeStage Retirement Income

LifeStage Retirement Income is an optional program that manages monthly retirement income payments from Wespath-administered defined contribution (DC) retirement accounts. The monthly payment amount automatically adjusts for annual cost-of-living increases, and is based on your age, remaining account balance and other factors, with the goal of providing monthly income for your lifetime (and survivor’s lifetime, if applicable).

Enrolling in LifeStage Retirement Income moves your DC account balances (including the 35% non-annuitizable portion of the Ministerial Pension Plan [MPP]) into a single Personal Investment Plan (PIP) account. You can then choose how much to include in LifeStage Retirement Income, with the account balance managed by LifeStage Investment Management. Any PIP account balance excluded from LifeStage

Retirement Income can be self-managed or you can use LifeStage Investment Management. You can also transfer money between LifeStage Retirement Income and your PIP account at any time. When money is transferred into or out of LifeStage Retirement Income, your next monthly retirement income payment will be adjusted to reflect the transaction. LifeStage Retirement Income has two optional, customizable features:

- The Social Security Bridge, which bridges the financial gap that would occur if you chose to delay the start date of Social Security benefits—a decision that could boost your Social Security benefits by 8% each year you delay, up to age 70. This decision would apply a larger portion of your balance as income early on, then reduce the amount paid from LifeStage as Social Security starts. You may be eligible to select the Bridge if:
  - You are not already receiving Social Security
  - You did not opt out of Social Security
  - You have enough money in LifeStage Retirement Income to support it
  - You are younger than 70 years old
- Longevity Income Protection, which is a deferred annuity contract provided by a Wespath-selected insurance company. You can use a portion of your LifeStage Retirement Income funds when you enroll to purchase Longevity Income Protection. This annuity guarantees retirement income payments starting at age 80, regardless of how long you (and, if applicable, your spouse) live. The purchase is final, and the contract cannot be revoked. The contract does not include a refund of premium if you and your spouse die before the payments start. Income tax withholding is applied once your monthly annuity payments begin. You are eligible to purchase Longevity Income Protection if:
  - You are a retiree or surviving spouse at least 55 years old, or a terminated participant or alternate payee at least 61½ years old.
  - You are younger than RMD age (generally age 72).
  - You have sufficient funds to support it.

If you are married at the time you purchase Longevity Income Protection, 70% of your monthly payment is paid to your surviving spouse upon your death, provided you were married to the surviving spouse at the time of purchase. If your marital status changes after the purchase of the annuity, then one of the following situations applies:

- If you were married when the deferred annuity was purchased:
  - If a divorce occurs during the deferral period, the joint life policy of the deferred annuity will be converted to a single life policy for you only in the absence of a Qualified Domestic Relation Order (QDRO).
  - If Wespath receives a separate interest QDRO that seeks to divide the benefits paid by the deferred annuity, the QDRO will be honored and two separate deferred annuities will be issued to the two individuals over their single lifetimes, with the division percentages being based on the QDRO language.

Wespath will administer the QDRO and provide direction to the insurance company on how to divide the deferred annuity. (i.e., division percentages).

- If you were single at the time the deferred annuity was purchased:
  - If you get married during the deferral period, the deferred annuity cannot be reissued over joint lifetimes.
    It will remain a single life policy for you only.

You can learn more about LifeStage Retirement Income at **www.wespath.org/r/lsri**. You can elect LifeStage Retirement Income to manage your distributions at benefitsaccess.org.

**Self-Managed Retirement Income**

You can also elect to manage your own retirement income payments. You may elect a specific payment

amount to be paid each month or year or the expected period of distribution (which will establish the monthly or annual payment amount based on your Account balance at the time of each payment).

If you elect a specific dollar amount, your cash installments will continue until you change your election or until your entire Account is distributed. If you elect a specified period for your distributions, your payments may vary in amount, depending on your investment returns, so that your Account balance will be completely distributed at the end of the period you named.

**Electing Your Benefits**

You may elect your benefits by logging onto **benefitsaccess.org** or completing an application for benefits; however, LifeStage Retirement Income must be elected online. If you make your elections online and have Account balances in other Wespath-administered retirement plans [e.g., Horizon 401(k) Plan or Clergy Retirement Security Program (CRSP)], these accounts will be consolidated into PIP and your election will apply to the consolidated balance. You may maintain separate Account balances for each plan and make separate benefit elections by manually completing application for benefit forms.

**Trailing Account**

A trailing Account occurs when there is a delayed contribution or other credit or correction in accounting applied to your Account after you have received your entire Account. If the trailing Account balance is less than $200, you will automatically receive the payment as a lump sum. If the trailing Account balance is greater than or equal to $200, Wespath will automatically distribute the amount in the same form of payment as your previous distribution.

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

**Rollover Out**

You may roll over part (at least $200) or all of your Eligible Rollover Distribution into another eligible retirement plan, such as a Code section 403(b) plan, 401(a)/401(k) qualified plan, 457 deferred compensation plan, traditional IRA or Roth IRA. It is your responsibility to determine if the other plan accepts rollovers. When Wespath withholding on the amount of the rollover, except in the case of a rollover to a Roth IRA.

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

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

The housing allowance exclusion available to Clergy may no longer apply to funds rolled out of a Wespath-administered UMC retirement plan into an IRA, a retirement plan not administered by Wespath or to a non-UMC church retirement plan administered by Wespath. Clergy may risk losing the housing allowance exemption on their Wespath-administered Account balance after the rollover. Please consult with your tax adviser for more detailed information on this exclusion from taxable income.

Deciding to take a distribution from your Account is an important retirement-related decision. Please consider each distribution type carefully and understand its impact on your financial security in retirement.

Wespath suggests that you contact a certified financial planner and/or tax adviser for help with this process. Also, remember to contact Wespath for the up-to-date rules and requirements for each distribution.

**The Distribution Election Process**

To begin this process, you will need to notify Wespath of your desire to begin receiving benefits. We will determine your eligibility to receive benefits and send the appropriate applications and forms to you. Once you receive these documents, you will need to complete them and send them back to Wespath within the election period. (See the “Claims and Appeals” section on page 34.) Please read the accompanying materials carefully so that you understand the distribution options, the plan rules, and how to fill out the forms.

**The Election Period**

The election period is the 180-day period before the date payments begin. Wespath will mail an application for benefits form to you no more than 180 days and no fewer than 30 days before your benefit is scheduled to begin.

If you have received the application for benefits form and you do not wish to wait until the end of the 30-day notice period before your payment begins, you may waive the minimum 30-day notice requirement in writing at the time you apply for benefits.

# Ministerial Pension Plan

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

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

**MPP CONTRIBUTIONS**

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

### Your Contribution Base X Your Contribution Rate

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

### Contribution Base

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

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

### Contribution Rate

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

## MPP ACCOUNT INVESTMENTS

Wespath directs the investment of your MPP Account through LifeStage Investment Management. With the addition of LifeStage Investment Management, which manages the investment of your MPP Account based on factors such as your age and risk tolerance, Wespath no longer offers participant-directed accounts (PDAs) to MPP Participants.

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

## MPP BENEFICIARY

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

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

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

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

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

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

## ACCESS TO YOUR MPP ACCOUNT

You may be eligible to receive a distribution when you:

- Retire under the Retirement provisions of *The Book of Discipline* (¶357, except ¶357.2a),
- attain age 62 if you Retired under the 20-Year Retirement provisions of *The Book of Discipline* (¶357.2a),
- attain age 62 if you terminate your Conference relationship before February 26, 2019 (the close of the 2019 Special Session of General Conference),
- terminate by withdrawal, discontinuance, or revocation of credentials on or after February 26, 2019 (the close of the 2019 Special Session of General Conference) for active elders and deacons in full membership,
- terminate by withdrawal, discontinuance, or revocation of credentials on or after May 4, 2024 (the close of the 2024 General Conference) for active local pastors, associate members and provisional members or
- become Disabled.

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

## Retirement

You may begin receiving benefits from MPP upon Retirement at:

- age 62 or upon completion of 30 years of Service under appointment, in accordance with ¶357.2b of *The Book of Discipline*;
- age 65 or upon completion of 40 years of Service under appointment, in accordance with ¶357.2c of *The Book of Discipline*; or
- the mandatory Retirement age of 72, in accordance with ¶357.1 of *The Book of Discipline*.

If you Retire under ¶357.2a of *The Book of Discipline* (voluntary Retirement with 20 years of Service), you cannot receive benefits until you are at least age 62. In no case are Conference members "Retired" until they have been granted the Retired relationship by their Conference. Retirement provisions for Clergy are governed by ¶357 of *The Book of Discipline*. Please consult the Disciplinary language or speak with someone in your Conference office for more information on Retirement eligibility and the Retirement process.

## Termination

If you incur a Termination of Conference Relationship, your MPP Account is payable when you reach age 62 unless you are an active elder or deacon in full membership of The United Methodist Church and terminate your Conference relationship by withdrawal, discontinuance, or revocation of credentials on or after the close of the 2019 Special Session of General Conference (February 26, 2019); or May 4, 2024 (the close of the 2024 General Conference), your Aggregate Defined Benefit will be converted to an actuarially equivalent account balance as soon as administratively possible. The conversion will use actuarial factors corresponding to those used when determining annual conference plan sponsor contributions to CRSP. The Aggregated Defined Benefit and your Vested Account Balances will be transferred to an individual account in PIP, with such transferred amounts subject to the terms of PIP.

## Small Accounts

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

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

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

### Small Benefit

If the total monthly benefit or annuities paid from Wespath-administered plans is less than $100, Wespath will transfer your MPP Account balance to your CRSP Defined Contribution Account instead of paying monthly CRSP benefits. This transfer will not occur if you are a Disabled Participant or Disabled Terminated Participant (unless you consent). The actuarial equivalents of any other monthly benefits will be transferred or distributed based on the provisions of each applicable plan. See the "Access to Your Defined Contribution Account" on page 19 to learn more about distributions of your CRSP Defined Contribution Account.

*Notwithstanding the above, if you are an active elder or deacon in full membership of The United Methodist Church and terminate your Conference relationship by withdrawal, discontinuance, or revocation of credentials on or after the close of the 2019 Special Session of General Conference (February 26, 2019); or May 4, 2024 (the close of the 2024 General Conference) for local pastors, associate members and provisional members, your Aggregate Defined Benefit will be converted to an actuarially equivalent account balance. The conversion will use actuarial factors corresponding to those used when determining annual conference plan sponsor contributions to CRSP. The Aggregated Defined Benefit and your Vested Account Balances will be transferred to an individual account in PIP, with such transferred amounts subject to the terms of PIP.*

## Disability

Under MPP, you are considered to be Disabled if you are determined to be disabled by the Social Security Administration, if you are receiving disability benefits under the terms of the Comprehensive Protection Plan (CPP), if you are on a Medical Leave, or if you are a Terminated Participant and deemed disabled by a Wespath-selected third party vendor.
If you are Disabled, you may request to receive up to 35% of your MPP Account balance as a lump sum. Please call Wespath for more information.

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

## Required Beginning Date

Required Beginning Date means, with regard to a Participant who is required to begin receiving RMDs no later than April 1 of the calendar year following the later of the calendar year in which the Participant:

- Retires or incurs a Termination of Employment, or for a Clergy Employee, incurs a Termination of Employment and a Termination of Conference Relationship; or
- Attains RMD age (between age 70 ½ and 75, depending on their birthdate).

In the context of a Beneficiary, Required Beginning Date means the day RMDs must begin as stated in IRS Regulations.

(Please see the “Required Minimum Distributions” section on page 22.)

## Death

If you die before you begin receiving benefits, your MPP account is payable to your MPP Designated Beneficiary. If your Spouse is your Beneficiary, he or she may choose from among certain forms of benefit. Your Spouse must begin receiving benefit payments from the plan by December 31 of the calendar year after the year in which you died or December 31 of the calendar year in which you would have reached RMD age (between age 70 ½ and 75, depending on your birthdate), whichever is later.

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

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

## Forms of Benefit

Thirty-five percent (35%) of your MPP Account balance will be paid as a lump-sum distribution. For the remaining 65% of your account balance, you will have the option to elect payment as a life annuity or in monthly installments through LifeStage Retirement Income. Starting on January 1, 2026, Participants who have Critical or Terminal Illness may be exempt from the mandatory LifeStage Retirement Income distribution requirement for their 65% MPP balance. To qualify, you must meet Wespath's established procedures. The *Critical and Terminal Illness Certification Form* must be completed by both you and your physician.

If you are married at the time your annuity begins, the normal form of benefit is a "Life & 70% Survivor" annuity payable to you and, upon your death, 70% to your surviving spouse, with a 2% annual increase in monthly benefits. If you are unmarried, the normal form of benefit is a "Life Only" annuity.

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

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

- *"Life & Survivor" annuity*: This is a monthly payment for your lifetime and, upon your death, a monthly payment for the lifetime of your surviving Contingent Annuitant. You choose the amount of the monthly payment to your surviving Contingent Annuitant as a percentage of the amount you were receiving. The available choices are 70%, 85% or 100%.
- *"Life Only" annuity*: This is a monthly payment for your lifetime only. Upon your death, no further benefits are payable to anyone.
- *"Life with period-certain" annuity*: You may choose to receive a monthly benefit for your lifetime but with a minimum period of payments regardless of your life span. A "life with period-certain" annuity provides
  payments for the longer of: a) your lifetime, or b) a certain period of time. You may choose the period to be five or 10 years. If you die before the period of time you have elected has elapsed, the monthly annuity payments will continue to your MPP Designated Beneficiary for the remainder of the period.

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

### Election Period

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

### Contingent Annuitant

The "Life & Survivor" annuity pays benefits to you and, upon your death, to your Contingent Annuitant. Your Contingent Annuitant is the person you name to receive all or a portion of your annuity payments for the remainder of the term of the annuity after your death. If the form of benefit you choose requires you to name a Contingent Annuitant, you will do so at the time you apply for benefits. When you designate a Contingent Annuitant, your designation will become irrevocable five business days before the earlier of the mailing date of your first monthly benefit payment or your annuity starting date. If your Contingent Annuitant dies before you, no benefits are payable upon your death. MPP also allows you to name your disabled child as a secondary contingent annuitant with the payment of survivor benefits to a special needs trust.

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

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

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

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

**The housing allowance exclusion available to Clergy may no longer apply to funds rolled out of a Wespath-administered UMC retirement plan into an IRA, a retirement plan not administered by Wespath or to a non-UMC church retirement plan administered by Wespath. Clergy may risk losing the housing allowance exemption on their Wespath-administered Account balance after the rollover.**

Please consult with your tax adviser for more detailed information on this exclusion from taxable income.

## Pre-82 Plan

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

If you enter the Retired relationship with your Conference, and do not terminate, the minimum benefit payable to you is based on two factors: 1) your years of Service with pension credit; and 2) your annual Conference pension rate. Years of Service with pension credit are approved by each Conference on the recommendation of the Conference Board of Pensions in accordance with plan provisions and *The Book of Discipline*. The pension rate, also called the past service rate or the annuity rate, is the dollar amount chosen by the Conference as the amount payable for each approved year of Service with pension credit. Typically, the pension rate changes from year to year. The number of years of Service with pension credit is multiplied by the pension rate, and the product is the minimum annual benefit payable to those eligible for Pre-82 Plan benefits. This computation is performed each year, and retirees may have their monthly benefits increased after starting to receive them on account of such a recalculation.

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

You may have funds on deposit earmarked for the Pre-82 Plan service annuity. These funds may be sufficient to fund a service annuity greater than the minimum benefit described above (years of approved Service with pension credit multiplied by the pension rate). If so, you will receive this benefit instead of the benefit based on the Conference pension rate. This monthly benefit does not increase each year because it is not based on an increasing past service rate. But if your monthly benefit based on your past service rate should increase beyond the monthly non-increasing service annuity, you will thereafter receive the monthly annuity based on your Conference’s past service rate times your years of Service with pension credit.

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

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

If you are single at the time of your Retirement, or if your marriage took place after you ceased serving under Episcopal appointment, the form of benefit payable under the Pre-82 Plan is a “Life Only” annuity. Whether you are single or married, there are no optional forms of benefit electable under the Pre-82 Plan.

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

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

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

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

If you are an active elder or deacon in full membership of The United Methodist Church and terminate your Conference relationship by withdrawal, discontinuance, or revocation of credentials on or after the close of the 2019 Special Session of General Conference (February 26, 2019); or May 4, 2024 (the close of the 2024 General Conference) for local pastors, associate members and provisional members, your Aggregate Defined Benefit will be converted to an actuarially equivalent account balance. The Aggregated Defined Benefit and your Vested Account Balances will be transferred to an individual account in PIP, with such transferred amounts subject to the terms of PIP.

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

# Other Information

## CLAIMS AND APPEALS

### Submitting a Claim for an Account Distribution

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

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

If you or your Beneficiary do not claim benefits within the above timeframe, you must claim them by your Required Beginning Date. (See the “Required Minimum Distributions” section on page 22.) Failure to do so could result in the forfeiture of your benefits.

### Denial of the Application or Claim

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

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

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

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

The Initial Appeals Committee will hear your appeal within 45 days after the filing of the notice. Your hearing may be continued up to 45 days upon your request, upon the request of Wespath or at the discretion of the Initial Appeals Committee.

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

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

**Intermediate Appeal**
If the Initial Appeals Committee denies your claim for benefits, in whole or in part, your appeal will be referred to the Intermediate Appeals Committee of Wespath for consideration.

The Intermediate Appeals Committee will decide your appeal within 60 days of the decision by the Initial Appeals Committee.

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

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

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

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

**Your Responsibilities**
You may not initiate or maintain any cause of action in law or equity until you have initiated and completed the claim and appeal process. Upon completion of the appeal process, you must initiate any cause of action within 12 months of the date of the written notice from Wespath regarding the final denial of your appeal.

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

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

**Taxes While Your Account Is in CRSP**
Taxes are deferred on Plan Sponsor contributions and earnings until distribution as long as this money remains in CRSP and within your contribution limits. (See the "Contribution Limitation and Excess Contributions" section on page 14.) This tax deferral provides significant advantages to you, because earnings can compound on amounts that are not reduced by taxes.

**Taxes When Your Account Is Paid**
When you receive a distribution from your Account, the money you receive is considered taxable as ordinary income. Wespath will report the gross distribution amount to you and the IRS. You will receive a notice describing the taxability of your distribution from Wespath before the distribution.

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

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

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

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

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

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

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

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

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

# OTHER INFORMATION

## Assignment of Benefits and Qualified Domestic Relations Orders (QDROs)

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

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

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

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

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

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

## Non-Alienation of Benefits

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

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

## Benefits While on Military Leave

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

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

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

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

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

## Non-Reversion

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

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

## Ineligible Contributions

If a contribution is made for you but you are not eligible to participate in CRSP and the Plan Sponsor sends a written request for its return within a reasonable time after the contribution is made, the contribution (adjusted for any gains and losses as permitted by IRS guidance and procedures established by the Administrator) will be refunded to the Plan Sponsor. Any Plan Sponsor contributions remitted by mistake are forfeited to Wespath after a reasonable time for administrative expenses or left in the funding pool to pay benefits to Participants. (See the "Non-Reversion" section.)

## Bankruptcy and Your CRSP Benefits

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

## If CRSP Is Terminated or Modified

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

## Plan Administrator

CRSP is administered by Wespath and any successors.

The plan administrator may be reached at the following address and phone number:

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

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

## CRSP Name, Plan Type and Plan Year

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

CRSP also is intended to be a multiple-employer plan involving more than one Plan Sponsor, except for certain purposes. For the purpose of Statement of Financial Accounting Standards Number 158, the defined benefit plan is a multi-employer plan. CRSP is intended to meet the requirements of a "Church Plan" under Code section 414(e) and to be exempt under the Employee Retirement Income Security Act (ERISA) section 4(b) and Code section 410(d) to the extent permitted under those provisions and other applicable laws. CRSP is administered on a plan-year basis, beginning on January 1 of each year and ending on December 31 of that same year.

## Special Securities Laws

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

## Agent for Service of Legal Process

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

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

## CRSP Trustee

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

1901 Chestnut Avenue
Glenview, Illinois 60025-1604

# Glossary

**Account** means the aggregate of the separate record-keeping entries maintained by Wespath for the purpose of recording the contributions made to CRSP for your benefit. Any reference to your "Accounts" refers to all of the Accounts maintained in your name under CRSP, including MPP and the Pre-82 Plan, unless the context otherwise requires.

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

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

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

**Aggregate Defined Benefit** means the sum of a Participant's DB and annuity-type benefits due to him/her from the Defined Benefit component of CRSP and the Pre-82 Plan.

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

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

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

**Beneficiary Designation form** means the form on which a Participant, Terminated Participant, Beneficiary or Alternate Payee specifies his or her Designated Beneficiary for acceptance by Wespath.

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

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

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

**Clergy or Clergyperson** means a person who is:

- a bishop elected by a jurisdictional Conference;
- an elder or deacon in full connection, a provisional member or an associate member of a Conference;
- a full-time, part-time or student local pastor (as defined in *The Book of Discipline*);
- a Clergyperson of another denomination who is under Episcopal appointment within a Conference pursuant to ¶346.2 and ¶346.3 of *The Book of Discipline*, provided such person is not participating in a pension program of the denomination to which he or she belongs; or
- a Clergyperson of the Puerto Rico Methodist Church or a central conference appointed by a bishop of a Plan Sponsor Conference in which such clergyperson is not a member (or, where the Plan Sponsor is not supervised by a bishop, who is covered by a Plan Sponsor's Adoption Agreement), provided that such Clergyperson is not participating in a similar pension program of the Puerto Rico Methodist Church or central conference.

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

**Compensation** means the sum of the following amounts:

(a) the annual base wages or salary paid or made available by your Plan Sponsor or Salary-Paying Unit to you in a Plan Year, including, at the Plan Sponsor's election, any additional wages or salary paid to you in lieu of Plan Sponsor-provided group health plan coverage, including coverage of your family members, as determined by the Plan Sponsor. Such wages or salary will include any amount that is excluded from gross income pursuant to Code §107(2); and
(b) when a parsonage is provided to you as part of your compensation, 25% of the amount described in section (a).

Compensation will be determined under procedures that may be established by the Administrator. Compensation excludes, among other things, one-time or occasional payments that are not made regularly as part of your annual base wages or salary, such as expense reimbursements or bonus payments. Severance pay is also excluded from Compensation.

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

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

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

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

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

**Critical Illness** means any life-threatening condition that requires pharmacological and/or mechanical support of vital organ functions without which death would be imminent. Examples of illnesses include but are not limited to heart attack, stroke, major organ transplant and certain cancers.

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

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

**Defined Contribution** means an account, including CRSP Defined Contribution (CRSP DC), Personal Investment Plan (PIP) and Horizon 401(k) Plan (Horizon), for which you may select the investment of the account balance and/or future contributions among several of Wespath's funds.

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

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

**Designated Beneficiary** means:

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

Notwithstanding the foregoing, a Designated Beneficiary is not a Contingent Annuitant.

**Disabled or Disability** means:

- determined to be disabled by the Social Security Administration; or
- receiving long-term disability benefits under the terms of CPP or another long-term disability benefit plan provided by your Plan Sponsor; or
- placed on Medical Leave by your Plan Sponsor; or
- if you are a Terminated Participant who is not eligible for a Social Security determination of disability, you are considered disabled by a Wespath-selected third party vendor.

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

**Early Retirement Age** means the age or Service completion date specified in ¶358.2b of *The Book of Discipline*; or, for a person who Retires in accordance with ¶357.2a, ¶357.3**,** ¶408.2, or ¶408.3 of *The Book of Discipline* or who is a Terminated Participant age 62 or older.

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

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

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

**Eligible Designated Beneficiary** (as defined in the SECURE Act for RMD purposes) means a Designated Beneficiary who is a surviving Spouse, a Designated Beneficiary who is not more than 10 years younger than the Participant, a chronically ill individual as defined in Internal Revenue Code section 7702B(c)(2), a disabled individual as defined in Internal Revenue Code section 72(m)(7) or a minor until the age of majority, who is receiving or entitled to receive a benefit under CRSP.

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

- any distribution that is one of a series of substantially equal periodic payments made (not less frequently than annually) for your life (or life expectancy) or the joint lives (or joint life expectancies) of you and your Designated Beneficiary, or for a specified period of 10 or more years;
- any distribution that is required under Code section 401(a)(9) (relating to RMDs);

- any hardship withdrawal distribution described in Code section 401(k)(2)(B)(i)(IV); or
- any other excluded distribution described in Code section 402(c)(4).

**Final DAC** is the greater of:

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

**Freeze Date** is January 1, 2026 or as soon as administratively feasible thereafter.

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

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

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

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

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

- in the case of a Participant, your actual Retirement date after having reached your Normal Retirement Date, but not later than the mandatory Retirement date specified in ¶357.1 of *The Book of Discipline* (if applicable); or
- in the case of a Terminated Participant, the date of Wespath’s acceptance of your application for benefits form after having reached your Normal Retirement Date, but not later than your Required Beginning Date.

**LifeStage Retirement Income** refers to a distribution management service that uses your defined contribution accounts to create monthly retirement income payments designed to last for your lifetime.

**LifeStage Investment Management Service** refers to an investment management service that allocates your accounts among Wespath investment funds.

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

**Matching Contribution** means a type of contribution made to your Account in proportion to contributions you made to PIP.

**Medical Leave** means a Conference relationship specified in ¶¶357 and 410.4 of *The Book of Discipline*.

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

**Non-Matching Contribution** means a type of contribution made to your Account as a percentage of your Compensation, whether or not you made Participant contributions to PIP.

**Normal Retirement Date** means:

- In the case of a Participant (other than a bishop), the first day of the month coinciding with or next following the earlier of:
  - your 65th birthday, or
  - the date on which you attain 40 years of Service under ¶357.2c of *The Book of Discipline*.
- In the case of a Terminated Participant, the first day of the month coinciding with or next following your 65th birthday.
- In the case of a Participant who is a bishop, the first day of the month next following the date specified in ¶408.1 of *The Book of Discipline*.

**Participant** means a Clergyperson who:

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

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

**Plan Sponsor** means:

- a Conference for any eligible Clergy under Episcopal appointment serving that Conference, a Conference- responsible unit or a Conference-elective entity; or
- GCFA for any eligible Clergy who are bishops, effective September 1, 2008.

**Required Beginning Date** means, with regard to a Participant who is required to begin receiving RMDs no later than attainment of RMD Age, April 1 of the calendar year following the later of the calendar year in which the Participant:

- Retires or incurs a Termination of Employment, or for a Clergy Employee, incurs a Termination of Employment and a Termination of Conference Relationship; or
- Attains RMD age (between age 70 ½ and 75, depending on their birthdate).

In the context of a Beneficiary, Required Beginning Date means the day RMDs must begin as stated in IRS Regulations.

**Required Minimum Distribution (RMD)** means the amount that a Participant must begin receiving from his or her Retirement Accounts by his or her Required Beginning Date. RMD amounts must then be distributed each subsequent year. IRS Regulations also establish minimum distributions for surviving Spouses and other Beneficiaries.

**Retire or Retirement** means:

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

**Retirement Date** means the date on which you Retire.

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

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

**Service** means a period of time during which you are a Clergyperson who is:

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

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

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

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

**Terminal Illness** means an illness that has no known cure or has progressed to a point where it cannot be cured, and in the opinion of your physician it's expected to lead to death within 24 months.

**Termination of Conference Relationship**[2] occurs when you cease to be a member of any Conference, including by reason of:

- being honorably located within the meaning of ¶359 of *The Book of Discipline*,
- being administratively located within the meaning of ¶360 of *The Book of Discipline*
- your withdrawal within the meaning of ¶361 of *The Book of Discipline*,
- the surrender of your ministerial credentials within the meaning of ¶361.2 and ¶2720.2 of *The Book of Discipline*, or
- the surrender of your local pastor's license within the meaning of ¶320 of *The Book of Discipline*.

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

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

**Wespath** administers CRSP and other retirement, health and welfare benefits and investments. Wespath is a general agency of The United Methodist Church.

---

[2] Distribution rules differ for active elder or deacon in full membership of The United Methodist Church that terminate their Conference relationship by withdrawal, discontinuance, or revocation of credentials on or after the close of the 2019 Special Session of General Conference (February 26, 2019); or May 4, 2024 (the close of the 2024 General Conference) for active local pastors, associate members and provisional members. Participants that fall into this category may receive their benefits as soon as administratively possible upon termination.

Wespath

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