Create, Grow, & Discover All Your Tomorrows

SUMMARY PLAN DESCRIPTION | JANUARY 2019

Adventist Retirement
9705 Patuxent Woods Drive | Columbia MD 21046

Seventh-day Adventist Church
NORTH AMERICAN DIVISION
The future belongs to those who believe in the beauty of their dreams.

—Eleanor Roosevelt

This booklet is available for download at adventistretirement.org.
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Introduction

Throughout this document, the term “Plan” refers to the Adventist Retirement Plan, a non-ERISA 403(b)(9) church retirement income account plan established on January 1, 2000 by the North American Division of the General Conference of Seventh-day Adventists (the Church). The previous plan, called the Defined Benefit Plan, was frozen on December 31, 1999.

The Church established this defined contribution Plan for ministers, missionaries and other employees of any United States employer that is eligible to participate, as described later in this booklet. This Plan allows both you and your employer to set funds aside for your retirement.

Generally, these funds will be “pretax” to you - that means that you will be able to defer tax on the contributed amounts until you withdraw them from the Plan. The Plan also allows employees to make Roth contributions and voluntary after-tax contributions, both of which are contributed on an after-tax basis. This Plan places certain responsibility on you, the employee. You will direct the investment of your retirement funds. You must make contribution decisions. And, upon retirement, you will be required to make distribution decisions.

The Plan allows you to take a distribution of your retirement funds upon termination from denominational employment. However, there are limits on, and tax implications for, certain Plan distributions. (These limits and tax implications are described later in this booklet.) When you are eligible for a distribution, you can choose to take a distribution, leave your funds in the Plan or roll your account balance over to an IRA or other eligible retirement plan.
TYPE OF PLAN
The Plan is a church retirement income account program described in Section 403(b)(9) of the Internal Revenue Code (IRC) and as such is exempt from requirements of the Employee Retirement Income Security Act (ERISA).

ABOUT THIS BOOKLET
This booklet is called a summary plan description. It provides a general description of the Plan. The Adventist Retirement Plan document is the legal document describing your rights and obligations, and the rights and obligations of the Plan and your employer. If this summary is inconsistent with the Plan document, the terms of the Plan document will control.

If you wish to review the Plan document, you can do so by contacting the Adventist Retirement Plan office or downloading the legal Plan document at www.adventistretirement.org.

PURPOSE OF THE PLAN
The purpose of the Plan is to provide retirement income for the employees and beneficiaries of participating employers. The contributions that you and your employer make to the Plan, and the earnings on those contributions, are designed to assist in providing financial security in your retirement. However, retirement plans alone are generally inadequate to maintain a pre-retirement standard of living in retirement. Social Security and other personal assets will usually play a significant role in meeting your retirement income goals.

CONTRIBUTIONS TO THE PLAN
The Plan is a defined contribution plan. As an employee, you are urged to make salary reduction or Roth contributions to the Plan. You can also make voluntary after-tax contributions to the Plan. If you are eligible, your employer may match your contributions up to a maximum of three percent of compensation. In addition, you may also be eligible to receive employer basic contributions. Eligibility for employer basic and matching contributions is described in the “Eligibility” section of this booklet. All contributions (your salary reduction and Roth contributions, voluntary after-tax contributions and any employer contributions) will be credited to your account in the Plan.

PLAN ADMINISTRATION
The North American Division Adventist Retirement Plan Office administers the Plan. If, after reading this booklet, you have questions regarding the Plan, you should contact:

Adventist Retirement Plans
9705 Patuxent Woods Drive
Columbia, MD  21046-1565
1-443-391-7301
www.adventistretirement.org

If you have questions about making salary reduction, Roth or voluntary after-tax contributions or your investment options under the Plan, you should contact the Plan’s record keeper, Empower Retirement, at 1-866-467-7756, www.empower-retirement.com.
Eligibility

U.S. Adventist hospitals and related entities, Bermuda, Canada, Guam and regional conferences have separate retirement plans and their employees are therefore not eligible to participate in this Plan. Certain types of employees are not eligible to participate in the Plan, including temporary employees, nonresident aliens with no U.S. source income, individuals paid above the NADCOM remuneration scale and participating in an alternate plan, individuals on an approved leave of absence to pursue a course of graduate study, adjunct professors employed by a North American Division educational institution or an industry employee, and student employees working for Adventist educational institutions.

Generally, if you are an employee of a U.S. Seventh-day Adventist Church entity as listed in the Church Yearbook that participates in the Plan, or if you are an IDE/ISE missionary from the United States sent by the General Conference of Seventh-day Adventists, you are eligible to make salary reduction, Roth or voluntary after-tax contributions to the Plan if contributions of at least $200 are made each year. Although all eligible employees, except for certain student employees, are eligible to make salary reduction, Roth or voluntary after-tax contributions to the Plan, there are different eligibility requirements for employer contributions. Depending on which of two retirement benefit options your employer has selected, your eligibility for employer contributions will generally be either:

- **Option A1:** All employees at least 20 years of age and working at least half-time are eligible to receive both employer basic and matching contributions. Employees working less than half-time are not eligible for any employer contributions.

- **Option A2:** All employees at least 20 years of age and working full-time are eligible for employer basic contributions. All employees at least 20 years of age, including those working less than full-time, are eligible for employer matching contributions.

Please contact your local employer’s Human Resources office if you have any questions about Plan eligibility.

Individuals are also eligible to participate in the Plan under the following circumstances:

- **Military service that interrupts your career:** If you take leave to serve in the United States armed forces and return to work for your denominational employer, you may be eligible for special “make-up contributions.” These are the employer contributions that would have been made to your Plan account had you not left employment for military service.

- **Chaplains:** Adventist chaplains, properly credentialed by the Church, can participate in the Plan by making salary reduction or Roth contributions to the Plan – even if employed by another organization. A chaplain’s employer can also make contributions to the Plan at its option.

- **Graduate study:** If you take a leave of absence for graduate study, you may be eligible to receive additional employer basic contributions after you return to full-time employment. To be eligible for these additional contributions, you must successfully complete a course of graduate study with a degree at the Master of Arts level or higher, and you must return to full-time employment with your denominational employer within one year of completing...
your study. If you meet these requirements, your employer may make additional basic contributions to your account for up to two years of graduate study. These contributions will be made to the Plan over a period of up to four years after your return to employment, provided you to work for your denominational employer throughout that period.

- **Disability:** If you become disabled prior to termination of employment and are eligible for disability pay under your employer's long-term disability insurance plan or under Social Security, your employer will continue to make basic employer contributions based on pre-disability compensation for a period of up to 18 months of disability, including the elimination period.

If you are eligible to participate in the Plan, you can make or change salary reduction, Roth or voluntary after-tax contributions at any time by contacting Empower Retirement.
Contributions

**PLAN ACCOUNTS**

Upon enrollment, Empower Retirement will establish a Plan account in your name. All employee and employer contributions will be credited to this account. Earnings on your contributions will also be credited on a periodic basis. The funds will be invested according to the investment options you select.

After the close of each quarter, you will receive a statement of your account that reflects all contributions and earnings on those contributions since the last statement. It is important that you review the statement and make certain that all contributions have been posted to your account on a timely basis, and that your retirement funds are being invested according to your instructions.

In addition to the quarterly statement, you can contact Empower Retirement to determine the current market value of your account at any time.

**INVESTMENT OPTIONS**

You choose the investment options for your retirement funds. The Plan offers a number of investment opportunities, each of which has a specific investment objective. Adventist Retirement provides investment funds that follow the social screens taught and traditionally applied by the Seventh-day Adventist Church, as well as unscreened investment options. Empower Retirement can provide information on each of these investment options, including the objective, historical return on investment and historical “volatility” (that is, how much the earnings rate on the investment option has varied over time).

If you do not select your own investment options, contributions made on your behalf will be invested in the Plan’s target maturity model investment options which have been designated as the default investment option. Additional information on the target maturity models can be found on the Empower Retirement website.

**AUTOMATIC ENROLLMENT AND AUTOMATIC ESCALATION**

Effective September 28, 2017, all eligible newly hired employees are automatically enrolled in the Plan with a salary reduction contribution of three percent (3%) of compensation. Effective July 1, 2018 and each July 1 thereafter, all eligible participants’ salary reduction contributions will be automatically increased by 1 percent until a salary reduction contribution of seven percent (7%) of compensation is reached. You will be notified in writing annually with instructions on how to change or stop your salary reduction contribution, if desired.

**PRETAX SALARY REDUCTION CONTRIBUTIONS**

You can elect to make pretax salary reduction contributions to this Plan based on a percentage of your compensation. Your pretax salary reduction contributions can be started, stopped or changed at any time by contacting Empower Retirement. You generally do not pay federal income tax on these amounts until they are withdrawn from the Plan.

**ROTH CONTRIBUTIONS**

You can also elect to make a special type of employee contribution to the Plan called a
Roth contribution by contacting Empower Retirement. Unlike pretax salary reduction contributions, Roth contributions are made with after-tax dollars. That means Roth contributions do not reduce your current taxable income, but you are not taxed on these contributions when you withdraw them from the Plan. In addition, if your Roth contributions are distributed in what is called a “qualified distribution,” you will not be taxed on the earnings on Roth contributions. A “qualified distribution” is a distribution that occurs: (1) at least five years after you make your first Roth contribution to the Plan; and (2) after you reach age 59½, die or become disabled. You should discuss the benefits of pretax and Roth after-tax contributions with your tax advisor.

**EMPLOYEE VOLUNTARY AFTER-TAX CONTRIBUTIONS**

In addition to pretax salary reduction and Roth contributions, you can also make voluntary after-tax contributions to the Plan. These after-tax contributions do not reduce your current taxable compensation and are matched by your employer.

Unlike Roth contributions, the earnings on these after-tax contributions are taxable at the time of distribution. Contact Empower Retirement if you wish to make voluntary after-tax contributions.

The Plan does not set a maximum limit on your voluntary after-tax contributions, but the Internal Revenue Code ("IRC") limits how much you can contribute to the Plan. See "Contribution Limits" section of this booklet for a description of these limits.

**EMPLOYER BASIC CONTRIBUTIONS**

If you meet your employer’s eligibility requirements, your employer will make basic contributions to your Plan account. The employer basic contribution rate will be set from time to time by the North American Division Committee and is currently five percent (5%) of compensation. Contact your employer to determine if you are eligible for employer basic contributions.

**EMPLOYER MATCHING CONTRIBUTIONS**

As an incentive to encourage you to make pretax salary reduction or Roth contributions to the Plan, your employer may match 100% of your pretax salary reduction or Roth contributions up to three percent (3%) of your compensation. Contact your employer to determine if you are eligible for employer matching contributions. You can contribute more than the amount your employer matches, but you should ensure that you do not exceed IRC contribution limits.

*Example:*

<table>
<thead>
<tr>
<th>Employer Basic Contribution</th>
<th>Employee Pretax Contribution</th>
<th>Employer Matching Contribution</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>5%</td>
<td>0%</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>5%</td>
<td>2%</td>
<td>2%</td>
<td>9%</td>
</tr>
<tr>
<td>5%</td>
<td>3%</td>
<td>3%</td>
<td>11%</td>
</tr>
<tr>
<td>5%</td>
<td>5%</td>
<td>3%</td>
<td>13%</td>
</tr>
</tbody>
</table>

**ROLLOVER AND TRANSFER CONTRIBUTIONS**

If you have contributed to another eligible retirement plan, you may be able to make a rollover contribution from that plan to this Plan. A rollover contribution is a direct rollover of a distribution made from an IRA or from another eligible retirement plan (a 403(b) plan, a qualified 401(a) plan, a 403(a) annuity plan, a governmental 457(b) plan or an IRA) into your account in this Plan.

A transfer contribution can also be made to this Plan. A transfer contribution must be made from another 403(b) plan, and it is available only if the other 403(b) plan permits such a transfer.
There are a number of legal restrictions on rollovers and transfers. If you are a participant in another retirement plan, you should check with the administrator or provider for that plan, as well as with Empower Retirement, to determine if you can make a rollover or transfer contribution to this Plan. Rollover and transfer contributions are not eligible for employer matching contributions.

**ROTH IN-PLAN ROLLOVERS AND TRANSFERS**

You can convert pretax or after-tax non-Roth contributions to Roth contributions by requesting an in-plan Roth rollover or transfer through Empower Retirement. Once converted, the amounts become designated Roth contributions and are subject to the same requirements as Roth contributions (a 5-year holding period and a penalty if distributed early). Any pretax amounts will be reported as taxable income in the year converted. A Roth conversion cannot be undone. Consult your tax advisor to determine if a Roth conversion benefits you.

**VESTING OF CONTRIBUTIONS AND EARNINGS**

You are always 100% vested in your entire account in the Plan.

**CONTRIBUTION LIMITS**

The IRC limits the amount that you and your employer can contribute to your Plan account each year. You are ultimately responsible for ensuring that you do not exceed the IRC limits. You can contact Empower Retirement, a tax advisor or your local employer’s Human Resources office for additional information on contribution limits.

- **Elective deferral limit**: The elective deferral limit is a flat dollar limit on pretax salary reduction and Roth contributions.

Your pretax salary reduction and Roth contributions cannot exceed $19,000 in 2019. However, if you are age 50 or older, your available limit is increased by an additional $6,000 catch-up contribution.

- **Annual additions limit**: This limit applies to all contributions made to the Plan, both employer and employee contributions (but not including any rollover or transfer contributions). Generally, total contributions by you and your employer cannot exceed the lesser of a specific dollar limit ($56,000 in 2019) or 100% of your “includible compensation.” For purposes of this limit, “includible compensation” is your taxable compensation plus any salary reduction contributions you make to this Plan and certain other salary reduction contributions made to other plans (including any cafeteria plan your employer may offer). If you are a minister, “includible compensation” does not include any compensation designated as parsonage or housing allowance.

- **Other special limits**: If your includible compensation is less than $10,000, or if you are a foreign missionary with little or no taxable income, there are special contribution limits. You should contact a tax advisor or your local employer’s Human Resources office for additional information on these options.

**PARSONAGE ALLOWANCE**

If you are a minister with a significant parsonage allowance exclusion, you will have a smaller taxable compensation amount upon which to calculate the Plan’s contribution limits. These limits may reduce the amount that you can contribute to the Plan. You should consult a tax advisor or your local employer’s Human Resources office if you anticipate that your parsonage allowance exclusion will not provide you with enough taxable compensation to meet your retirement contribution goals.
### Examples:

<table>
<thead>
<tr>
<th>Modest Parsonage Allowance</th>
<th>Significant Parsonage Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross income</td>
<td>$40,000</td>
</tr>
<tr>
<td>Parsonage allowance</td>
<td>$20,000</td>
</tr>
<tr>
<td>Taxable compensation</td>
<td>$20,000</td>
</tr>
<tr>
<td>General rule</td>
<td>x100%</td>
</tr>
<tr>
<td>Maximum annual contribution</td>
<td>$20,000</td>
</tr>
<tr>
<td>Actual contributions</td>
<td></td>
</tr>
<tr>
<td>- Employer basic contribution</td>
<td>$2,000</td>
</tr>
<tr>
<td>- Employee pretax salary reduction contribution</td>
<td>$1,200</td>
</tr>
<tr>
<td>- Employer matching contribution</td>
<td>$1,200</td>
</tr>
<tr>
<td>Total annual contributions</td>
<td>$4,400</td>
</tr>
<tr>
<td>Additional salary reduction contribution available</td>
<td>$15,600</td>
</tr>
<tr>
<td>Maximum annual contribution</td>
<td>$3,000</td>
</tr>
<tr>
<td>Actual contributions</td>
<td></td>
</tr>
<tr>
<td>- Employer basic contribution</td>
<td>$2,000</td>
</tr>
<tr>
<td>- Employee pretax salary reduction contribution</td>
<td>$1,200</td>
</tr>
<tr>
<td>- Employer matching contribution</td>
<td>$1,200</td>
</tr>
<tr>
<td>Total annual contributions</td>
<td>$4,400</td>
</tr>
<tr>
<td>Additional salary reduction contribution available</td>
<td>-$1,400</td>
</tr>
</tbody>
</table>
Tax Implications

In this section, certain tax matters are discussed in a general way. You should consult your tax advisor if you have specific questions.

**FEDERAL INCOME TAX**

Neither employer contributions nor your pretax salary reduction contributions are subject to federal income tax in the year contributed, but will instead be subject to federal income tax when distributed. In many cases this will be after retirement, and therefore the distributions could be taxed at a lower rate.

**STATE AND LOCAL INCOME TAX**

Most states and some localities assess income tax. Generally, this tax is calculated on the same taxable income used to calculate federal income tax. However, some states and localities have different rules. If you are subject to such taxes, you should consult with a tax advisor or your state or local tax office.

**SOCIAL SECURITY TAXES – FICA/SECA**

Roth and voluntary after-tax contributions are subject to Social Security and Medicare payroll taxes. Pretax salary reduction contributions made by employees who are not ministers are also subject to Social Security and Medicare payroll taxes. A minister’s pretax salary reduction contributions are not subject to Social Security and Medicare taxes – that means that a minister does not have to pay self-employment (SECA) tax on pretax salary reduction contributions. Employer contributions are not subject to Social Security and Medicare payroll taxes.

**PARSONAGE ALLOWANCE EXCLUSION FROM FEDERAL GROSS INCOME**

If contributions to the Plan were made at the time you were performing services in the exercise of your ministry, upon retirement, those distributions from the Plan are designated by the Adventist Retirement Board as eligible for the parsonage allowance exclusion from federal gross income. That means that upon retirement, up to 100% of your taxable distribution from the Plan can be parsonage allowance eligible and the portion of your distribution used as a parsonage allowance can be excluded from your taxable gross income. The amount excludable as parsonage allowance cannot exceed the least of the following:

- The fair rental value of your furnished home, plus the cost of utilities
- The actual expenses of operating your home
- The portion of your Plan distribution that is attributable to contributions earned while you were performing service in the exercise of ministry

It is important to note that only distributions from the Plan are eligible for this tax benefit. If you roll your distribution to an IRA or other retirement plan, you may not be able to claim the parsonage allowance exclusion from federal gross income on distributions from those plans. You should consult your tax advisor to determine how to best make use of the parsonage allowance exclusion.
Payment of Benefits Upon Retirement or Termination

After you terminate denominational employment, you are permitted to take a distribution of your entire Plan account. You are not required to take a distribution – you may leave your funds in the Plan if your account is greater than $5,000. Funds withdrawn from the Plan will normally be taxable (except for distributions of Roth and voluntary after-tax contributions) and, if withdrawn prior to age 59½, may also be subject to a 10% federal early withdrawal penalty. You can defer taxation of the distribution (and avoid the 10% early withdrawal penalty) if you roll your Plan distribution over to an IRA or other eligible retirement plan. See the “Rollovers to Individual Retirement Accounts and Other Plans” section of this booklet for more information on rollovers. You may also request a distribution of these funds following a 45-day waiting period after your termination of employment.

Once you retire or are otherwise eligible to receive a distribution from your account, you must request a distribution through Empower Retirement and complete the appropriate forms. Empower Retirement will process the distribution after you have completed and returned all necessary documents.

You will need to make important decisions regarding how and when you take distributions from the Plan. The Plan will hold regional pre-retirement planning workshops from time to time, and you should plan to attend. You might also wish to consult a financial planner for advice on how best to meet your retirement needs.

Federal regulations require that payments from the Plan must begin no later than the calendar year in which you retire, or, if later, the year following the calendar year in which you attain age 70½.

IN WHAT FORM WILL MY BENEFITS BE PAID?

The forms of payments available under the Plan are described below. You must choose the form of payment before any distribution is made to you. If you are married, your spouse must consent to the payment form selected.

- **Installments:** This form of benefit payment provides you with monthly, quarterly, semi-annual or annual installments for a specified number of years. Federal regulations provide that payments must be made over a period that is not longer than your life expectancy or the joint life expectancy of you and your designated beneficiary. If you elect to receive installment payments, any amount remaining in your account after you die will be paid to your designated beneficiary. If there is no surviving beneficiary designated at the time of your death, any amount remaining in your account will be paid to the person or persons in the first of the following classes of beneficiaries with one or more members surviving: (a) spouse, (b) children, (c) parents, (d) brothers and sisters, or (e) executors and administrators.

- **Lump Sum:** You can receive all or part of your account balance in the form of a lump sum. The Plan is required to withhold 20% federal tax from a lump sum distribution that is not directly rolled over to an IRA or to another eligible retirement plan. In addition, if your distribution is designated as eligible
for the parsonage allowance exclusion from federal gross income, you must remember that the amount of parsonage allowance that you are eligible to claim cannot exceed the lesser of your housing expenses during the year of the distribution or the fair rental value of your home (plus utilities) in the year of the distribution.

- **Lifetime Income:** If your retirement funds were invested in the SecureFoundation II investment option, you will receive guaranteed retirement income for life in accordance with the terms of the SecureFoundation II product.

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**ROLLOVERS TO INDIVIDUAL RETIREMENT ACCOUNTS AND OTHER PLANS**

After you are permitted to take a distribution, you can (but are not required to) roll all or a portion of your account into an individual retirement account (IRA). You can set up an IRA with Empower Retirement, banks, brokers or other financial institutions. You can invest the rolled over amounts according to your wishes and, subject to your agreement with the IRA provider, you can withdraw (and pay tax on) distributions when distributed.

In addition to IRAs, you can also roll your account over to another “eligible retirement plan,” which includes other 403(b) plans, qualified 401(a) plans (including a 401(k) plan), 403(a) annuity plans, and governmental 457(b) plans.

**Reminder:** It is important to note that only distributions from the Plan are eligible for the parsonage allowance exclusion from federal gross income. If you roll your distribution to an IRA or other retirement plan, you may not be able to claim the parsonage allowance on distributions from those plans.

**Note:** There are special rules that apply to rollovers of designated Roth contributions. Designated Roth contributions, and the earnings on those contributions, can be rolled over only to a Roth IRA or to a Roth account in a 401(k) plan or in another 403(b) plan.

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**CASH-OUT OF SMALL ACCOUNTS**

The Plan may, at its discretion, require the total value of your account to be distributed if you terminate from denominational service and if the balance of your account in the Plan is not greater than $5,000. If you do not elect to receive a lump sum or roll the amount to another eligible retirement plan, distributions under $1,000 will be paid to you in a lump sum, and distributions between $1,000 and $5,000 will be transferred to an IRA in your name.
In limited instances, certain amounts can be withdrawn from the Plan prior to retirement or termination of employment.

**DIVORCE**

If you are divorced or legally separated from your spouse, your benefits under the Plan shall only be paid or held for payment for your spouse or former spouse pursuant to the terms of a Qualified Domestic Relations Order (QDRO). Contact Empower Retirement for more information on QDROs.

**LOANS**

The Plan allows you to borrow from your salary reduction contributions account (including any Roth contributions), after-tax contributions account, rollover contributions account and transfer contributions account, subject to certain limits. Defaulted loan amounts (not repaid on time) will be taxed as ordinary income, and may be subject to a 10% federal early withdrawal penalty if default occurs before age 59½. Information regarding specific loan provisions can be obtained by contacting Empower Retirement.

**HARDSHIP WITHDRAWALS**

If you have on “immediate and heavy” financial need, you can request a hardship withdrawal from the Plan. Any amounts distributed in the form of a hardship withdrawal are taken first from your voluntary after-tax contributions and then from your salary reduction contributions (both pretax contributions and Roth contributions). Earnings on your salary reduction contributions are not eligible for hardship withdrawal. You will have to pay regular income tax on the taxable portion of the hardship withdrawal, plus a 10% federal early withdrawal penalty if you are under age 59½ at the time of the withdrawal.

Hardship withdrawals are available only if the financial need is one of the following:

- Uninsured deductible medical expenses (as defined for federal income tax purposes) incurred by the employee, the employee’s spouse or dependents.
- The purchase of the employee’s residence, excluding mortgage payments.
- The payment of post-secondary education tuition for the next 12 months for the employee, the employee’s spouse or dependents.
- To prevent eviction from the employee’s principal residence or foreclosure on the mortgage on that residence. (Note that late mortgage payments or lender letters offering refinancing/ restructuring debt options to remedy delinquent mortgage payments do NOT qualify as a hardship.)
- To pay burial or funeral expenses for the employee’s deceased parent, spouse, or other dependent, including travel to the funeral.
- To pay expenses relating to the repair of damage to the employee’s principal residence that would qualify for the casualty deduction (i.e., damage caused by catastrophic events such as floods, hurricanes, or tornadoes).
To pay expenses and losses (including loss of income) incurred by an employee on account of a disaster declared by the Federal Emergency Management Agency ("FEMA"), provided the employee's principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

Beginning January 1, 2019, your salary reduction contributions and Roth contributions to the Plan are no longer required to be suspended for six months after taking a hardship withdrawal.

**DISABILITY WITHDRAWALS**

If you become disabled and are eligible for disability benefits under your employer’s long-term disability insurance plan or under Social Security, you can apply for a lump sum distribution of your entire account balance. You can either take a cash lump sum distribution or roll the distribution over to another eligible retirement plan or IRA – just as if you had terminated from denominational employment. There are limits on disability withdrawals from your salary reduction contributions (including Roth contributions). If you are under age 59½, you cannot take a disability withdrawal from salary reduction contribution accounts unless you meet a strict definition of disability which may be different than the definition of disability under your employer’s long-term disability plan.

**PRE-RETIREMENT DEATH DISTRIBUTION**

If you die prior to termination from denominational employment, your surviving spouse (unless you have designated, with spousal consent, a beneficiary other than your spouse) will receive your account balance. Your spouse can take a cash lump sum withdrawal, installment payments, or roll the distribution over to another eligible retirement plan or IRA. Your spouse can also choose to postpone taking a distribution from your Plan account until you would have reached age 70½.

If you have no spouse (or if you have designated, with spousal consent, a beneficiary other than your spouse), upon your death, your account balance will be paid to your designated beneficiary or, if there is no surviving beneficiary designated at the time of your death, to the person or persons in the first of the following classes of beneficiaries with one or more members surviving: (a) spouse, (b) children, (c) parents, (d) brothers and sisters, or (e) executors and administrators.

**DISTRIBUTION OF AFTER-TAX CONTRIBUTIONS**

After-tax contributions are available for distribution at any time without tax or penalty, but withdrawal of the tax-deferred earnings on those contributions are taxable and may be subject to an early withdrawal penalty if withdrawn before age 59½. If you are married, your spouse must consent in writing to any such withdrawal.
Administration

CLAIMS/APPEALS

The Adventist Retirement Board has the authority to interpret Plan provisions and render claim decisions based on Plan interpretation. A Plan participant or beneficiary who believes he or she is entitled to a Plan benefit has the right to file a written claim with the Adventist Retirement Office. A participant or beneficiary has 60 days to appeal the denial of an adverse benefit claim. Any claim or appeal will be adjudicated in accordance with the Plan’s claims procedures.

ADVENTIST RETIREMENT OFFICE RESPONSIBILITY

The Adventist Retirement Office, with assistance from the Plan’s record keeper, Empower Retirement, is responsible for the following tasks:

a. To follow your instructions in allocating contributions and earnings received from your employer to the investment options that you have selected in a timely manner

b. To report to you quarterly on the performance of your funds

c. To provide information and education in cooperation with your employer on investment strategies and general retirement planning

d. To keep Plan administrative costs within a reasonable range

e. To maintain the Plan within applicable legal constraints

f. To provide timely access to funds in your account upon receipt of all necessary completed distribution documents

g. To use reasonable efforts to locate you or your beneficiaries, if necessary.

The Plan is not responsible for:

a. Failure of your employer to forward your contributions to your Plan account, either at all or on a timely basis

b. Failure of the market to meet your expectations

c. Failure to follow your instructions, if those instructions are not provided to the Plan in a method designated by the Plan

d. Ensuring that information you provide is accurate if you ask us to assist you with contribution limits calculations

EMPLOYER RESPONSIBILITY

Your employer is responsible for the following tasks:

a. To contribute to your retirement Plan account per North American Division policy

b. To forward all contributions to your Plan account in a timely manner in the manner designated by the Adventist Retirement Office

c. To assist you in communicating with the Adventist Retirement Office if necessary

d. To provide you with various materials provided by the Adventist Retirement Office as needed

e. To make provision for periodic seminars and workshops in cooperation with the Adventist Retirement Office

f. To assist you on a timely basis with your application for access to your account balance when you become eligible
**YOUR RESPONSIBILITY**

You are responsible for the following tasks:

a. To plan for your retirement, estimating your retirement needs and resources

b. To attend workshops and seminars provided by your employer and the Adventist Retirement Office to assist you in planning for retirement

c. To read pre-retirement material provided by the Adventist Retirement Office to learn what options will be available to you when you are entitled to a distribution from your Plan account balance

d. To select investment options for your Plan contributions

e. To monitor the investment performance of your account, and make investment option changes as necessary

f. To designate a beneficiary

g. To bring to the attention of the Adventist Retirement Office any errors or omissions on your quarterly statement

h. To keep the Adventist Retirement Office informed of any of the following changes:
   > Your address
   > Name and address of your beneficiary(ies)
   > Your marital status

i. Upon retirement, to make the necessary decisions regarding distributions from your Plan account and inform the Adventist Retirement Office in a manner specified by that office

j. To provide accurate and complete testing data for purposes of calculating limits of contributions. You are ultimately responsible for following IRC requirements regarding contribution limits

**AMENDMENT AND TERMINATION**

The Adventist Retirement Board is authorized to amend the provisions of the Plan as necessary. Major changes, such as a change in employer contribution amounts, require the approval of the North American Division. It is expected that the Plan will continue indefinitely; however, the Plan may be terminated at any time, subject to the approval of the North American Division of Seventh-day Adventists. If the Plan is terminated, the Board has the right to distribute all account balances as lump sum payments.

**NOTICE TO PARTICIPANTS**

The National Securities Markets Improvement Act signed into law on October 11, 1996, exempts church plans from federal and state securities laws, except for anti-fraud provisions. In order to qualify for the exemption, church plans must satisfy eligibility requirements under section 414(e) of the IRC, and the assets of church plans must be used exclusively for the benefit of plan participants and beneficiaries. Church plans continue to be subject to the IRC and its regulations regarding eligibility, governance, and operations of such plans. The following notice is provided in accordance with legal requirements:

The Plan or any company or account maintained to manage or hold assets of the Plan and interests in such Plan, companies, or accounts (including any funds maintained by the Plan) are 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. Therefore, Plan participants and beneficiaries will not be afforded the protections of those provisions.
The tax information contained in this material is based on federal laws existing on the date of its publication. Such laws are subject to legislative change and to judicial and administrative interpretation. Anyone considering the application of this information to his or her own situation should consult with his or her professional tax advisor.

This communication was created by and is being provided at the request of your plan sponsor. Neither Great-West Life & Annuity Insurance Company nor any of its subsidiaries have reviewed or approved these materials or are responsible for the materials or for providing updated information with respect to the materials.

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