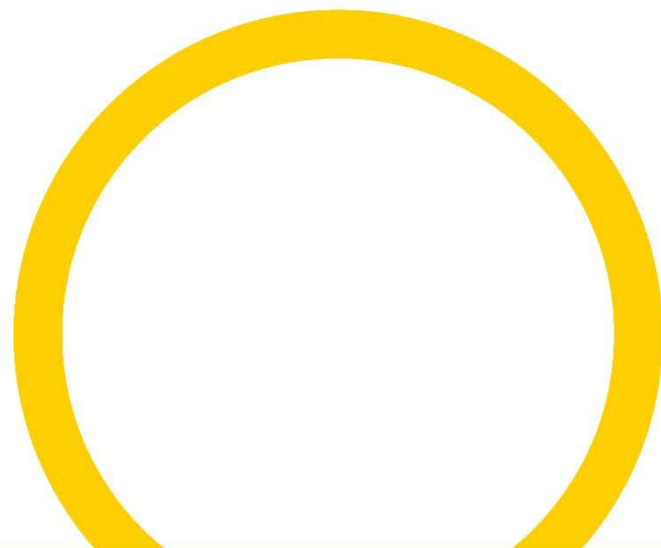


# **ELCA RETIREMENT PLAN**

## **Traditional Benefits Program**

Summary Plan Description  
Effective January 1, 2023



# Contents

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# Introduction

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## About the ELCA Retirement Plan

The legal name of the ELCA Retirement Plan is the Evangelical Lutheran Church in America Retirement Plan. It is referred to as the “ELCA Retirement Plan,” “Retirement Plan,” or “Plan.” The ELCA Retirement Plan was amended and restated effective Jan. 1, 2003 and amended thereafter. The restated and amended provisions apply to all individuals who are Members on or after the effective date.

## About the Summary Plan Description

This Summary Plan Description includes the eligibility requirements, coverage details, and benefit conditions under the ELCA Retirement Plan. The ELCA Retirement Plan document is the official legal document of the Plan and an individual’s rights are governed by it. If this Summary Plan Description is found to be inconsistent with the ELCA Retirement Plan document, the Plan document will control.

## About the Traditional Benefits Program

The Traditional Benefits Program (also known as the ELCA Pension and Other Benefits Program) is a bundled-coverage program that provides a single comprehensive set of wellness-oriented benefits to Members. Members of the Traditional Benefits Program are enrolled in the following four plans:

- ELCA Medical and Dental Benefits Plan
- ELCA Retirement Plan
- ELCA Survivor Benefits Plan
- ELCA Disability Benefits Plan

Eligible Members are also able to enroll in the ELCA Flexible Benefits Plan, which offers health savings account (HSA) and flexible spending account (FSA) options.

## About Portico Benefit Services

For more than 200 years, Portico Benefit Services and the predecessor ministries of the Evangelical Lutheran Church in America have supported the well-being of those who serve and have tailored its benefits to meet the unique needs of this community.

Doing business as Portico Benefit Services, the Board of Pensions of the Evangelical Lutheran Church in America offers health, dental, retirement, life insurance, disability coverage and other benefits designed to enhance the well-being of those serving ELCA-affiliated congregations and organizations.

In addition to the plans under the Traditional Benefits Program, Portico maintains the ELCA Retirement Savings Plan for Members in the Flexible Benefits Program, and the ELCA Master Institutional Retirement Plan and ELCA 457(b) Deferred Compensation Plan for ELCA-affiliated organizations. The assets of each plan maintained by Portico are held in separate trusts and do not allow one plan to fund another plan.

## About the Investment Funds

Members should carefully consider the target asset allocations, investment objectives, risks, charges, and expenses of any fund before investing in it. All funds, including Portico funds, are subject to risk and uncertainty. Past performance cannot be used to predict future performance. Portico funds, including the ELCA Participating Annuity Investment Fund, are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Losses or underperformance in the markets could cause a reduction in monthly participating annuity payments. Fund assets are invested in multiple sectors of the market. Some sectors, as well as the funds, may perform below expectations and lose money over short or extended periods.

For more information about the funds, see the *ELCA Investment Fund Descriptions* and the *Investment Memorandum for the ELCA Participating Annuity Trust*, at [myPortico.PorticoBenefits.org/summaries](http://myPortico.PorticoBenefits.org/summaries) or by contacting the Portico Customer Care Center at [mail@PorticoBenefits.org](mailto:mail@PorticoBenefits.org) or **800.352.2876**.

Neither Portico Benefit Services nor the funds it manages are subject to registration, regulation, or reporting under the Investment Company Act of 1940, the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, or state securities laws. Accordingly, members are not afforded the protections of the provisions of those laws and related regulations.

# Retirement Plan Overview

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The Retirement Plan is a defined contribution plan that allows a certain percentage of money be set aside each year by Participating Employers for the benefit of Sponsored Members. A Sponsored Member may also make pretax contributions to his/her Retirement Account through payroll deductions.

A Sponsored Member's Retirement Account may include the following types of contributions:

- Employer Contributions
- Member Pretax Contributions
- Transfer and Rollover Contributions
- Housing Equity Contributions
- After-Tax Rollover Contributions
- Predecessor IRA Contributions

## Investments

The Retirement Plan provides investment options and a Sponsored Member selects the investment strategy that matches his/her individual comfort level with the potential risk and return. At retirement, the Sponsored Member selects a distribution method that meets his/her needs.

## Statements

Sponsored Members receive a statement following each calendar quarter that summarizes his/her Retirement Account activity for that calendar quarter.

## Vesting

All contributions made on behalf of a Sponsored Member are 100% vested at all times.

## Eligibility

If an Eligible Employee is sponsored by an Eligible Employer in the Traditional Benefits Program, the Eligible Employee becomes a Sponsored Member in the Retirement Plan.

- An "Eligible Employer" becomes a "Participating Employer" when it sponsors an Eligible Employee in the Plan.
- An "Eligible Employee" becomes a "Sponsored Member" when he or she is sponsored in the Plan by a Participating Employer.

*See Appendix for Eligible Employers, Eligible Employees and Sponsorship Criteria*

# Contributions

## Employer Contributions

The amount a Participating Employer contributes to a Sponsored Member's Retirement Account is determined by each Participating Employer, provided the Participating Employer meets the minimum Employer Contribution as follows:

	<b>Minimum Employer Contribution</b>
<p><b>1. Participating Employers</b></p> <ul style="list-style-type: none"> <li>• ELCA synods</li> <li>• ELCA seminaries</li> <li>• ELCA Churchwide Unit:               <ul style="list-style-type: none"> <li>– Churchwide Organization</li> <li>– Women of the ELCA</li> <li>– ELCA Mission Investment Fund</li> <li>– ELCA Foundation</li> <li>– Portico Benefit Services</li> </ul> </li> </ul> <p><b>Eligible Employees</b></p> <ul style="list-style-type: none"> <li>• ELCA Ministers of Word and Sacrament serving under a letter of call and scheduled to work at least 15 hours each week for 6 or more months each year</li> <li>• ELCA Ministers of Word and Service serving under a letter of call and scheduled to work at least 15 hours each week for 6 or more months each year</li> <li>• Non-ELCA ordained clergy serving under a letter of call or contract and scheduled to work at least 20 hours each week for 6 or more months each year</li> <li>• Other employees scheduled to work at least 20 hours each week for 6 or more months each year and who have completed any probationary period (not to exceed 90 days)</li> </ul>	<p>At least 10% for all Eligible Employees, or as noted below for Participants of Predecessor Plans</p>

	<b>Minimum Employer Contribution</b>
<p><b>2. Participating Employers</b></p> <ul style="list-style-type: none"> <li>• ELCA congregations</li> <li>• Former ELCA congregations that sponsored an Eligible Employee in this Plan on Jan. 1, 2005, and continuously thereafter</li> <li>• A congregation of a denomination that is in a full communion relationship with the ELCA</li> <li>• A congregation or qualified church-controlled organization of a non-ELCA church body that has common religious bonds with the ELCA and has petitioned to and been approved by Portico to be the church body's sole benefits provider</li> </ul> <p><b>Eligible Employees</b></p> <ul style="list-style-type: none"> <li>• ELCA Ministers of Word and Sacrament serving under a letter of call and scheduled to work at least 15 hours each week for 6 or more months each year</li> <li>• ELCA Ministers of Word and Service serving under a letter of call and scheduled to work at least 15 hours each week for 6 or more months each year</li> <li>• Non-ELCA ordained clergy serving under a letter of call or contract and scheduled to work at least 20 hours each week for 6 or more months each year</li> <li>• Other employees scheduled to work at least 20 hours each week for 6 or more months each year and who have completed any probationary period (not to exceed 90 days)</li> </ul>	<ul style="list-style-type: none"> <li>• At least 10% if Sponsored</li> <li>• At least 10% if Sponsored</li> <li>• At least 6% if Sponsored</li> <li>• At least 6% if Sponsored</li> </ul>

<p><b>3. Participating Employers of Participants of Predecessor Plans</b></p> <p>If the Sponsored Member:</p> <ul style="list-style-type: none"> <li>• Had been in the pension plan of a Predecessor Church on Dec. 31, 1987, and has been a Sponsored Member continuously thereafter; and</li> <li>• Was a Sponsored Member in the ELCA Regular Pension Plan and age 55 as of Jan. 1, 1988.</li> </ul> <p>If the Sponsored Member:</p> <ul style="list-style-type: none"> <li>• Had been in the pension plan of a Predecessor Church on Dec. 31, 1987, and an Eligible Employee continuously after;</li> <li>• Was a Sponsored Member in the ELCA Regular Pension Plan as of Jan. 1, 1988; and</li> <li>• Had attained age 45 but not age 55 before Jan. 1, 1988.</li> </ul>	<ul style="list-style-type: none"> <li>• At least 12% if Sponsored</li> <li>• At least 11% if Sponsored</li> </ul>
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	<b>Minimum Employer Contribution</b>
<p><b>4. All other Participating Employers listed in Appendix</b></p> <ul style="list-style-type: none"> <li>• The contribution percentage must be established at the time the Sponsored Member is enrolled; and</li> <li>• The contribution percentage must be the same for each of its Sponsored Members, except an ELCA Minister of Word and Sacrament may be at a higher percentage rate.</li> </ul>	At least 6% if Sponsored

### **Changes to Contribution Percentage**

A Participating Employer may change its contribution percentage by providing acceptable advance notice to Portico. However, the change cannot decrease the Employer Contribution percentage below the Minimum Employer Contribution limits outlined above.

### **Post-Employment Contributions**

Participating Employers may make post-employment non-elective contributions for former Sponsored Members, up to the Code § 415(c)(1) limits. The post-employment non-elective contributions may be made for up to five years and may be designated as Housing Equity Contributions.

### **Employer Contributions End**

Each Sponsored Member is eligible to receive Employer Contributions. Employer Contributions will be made until the earliest of the following:

- The date the Sponsored Member is no longer an Eligible Employee,
- The date the Participating Employer provided to Portico that it will no longer sponsor the Sponsored Member,
- The date the Participating Employer stopped making contributions for the Sponsored Member under the Traditional Benefits Program, or
- The date the Participating Employer stopped complying with the terms of the Plan.

## Member Pretax Contributions

A Member may elect to defer part of his/her compensation by making a Member Pretax Contribution to the Member's Retirement Account. These Member Pretax Contributions must be made according to a contribution agreement between the Sponsored Member and his/her Participating Employer.

The following **individuals** are eligible to make Pretax Contributions to the Retirement Plan:

- A Sponsored Member,
- A Retired Member who is employed by an Eligible Employer but is no longer a Sponsored Member,
- An ELCA Minister of Word and Sacrament who is an Eligible Chaplain under the ELCA Supplemental Retirement Plan for Government Chaplains, and
- An individual, not sponsored by his/her employer, who is performing services as an ELCA Minister of Word and Sacrament and who is self-employed or employed by an organization included in *Appendix Section V or VI*.
- An Eligible Employee of an ELCA Non-Qualified Church Controlled Organization may defer a portion of her/his Defined Compensation and have the Participating Employer make Member Pretax Contributions on her/his behalf in accordance with the Plan. Such Eligible Employee will become a Member in the Plan on the date that Member Pretax Contributions are first made to the Plan but will not be eligible for Employer Required Contributions or Matching Contributions unless he or she is sponsored by his or her Participating Employer.

The Member Pretax Contributions will be:

- Deducted from Member's compensation and paid to Portico, and
- Credited to the Member's Retirement Account by the 15<sup>th</sup> business day of the month following the month that the amount would have been paid to the Member.

### Contribution Limits

The total annual contributions are limited under the Internal Revenue Code. The limits apply to all plans a Member contributes to, including 401(k) and 403(b) Plans.

Who Can Contribute	2023 Maximum Contribution Limits
Member	\$22,500 for 2023
Member age 50 or over in 2023	An additional \$7,500 catch-up contribution for 2023
Member and Employer combined	\$66,000/\$73,500* for 2023
Member with at least 15 years of service with a church organization	If IRS criteria is met, \$0 - \$3,000 annually with a lifetime limit of \$15,000 for 2023

\*For 2023, the limit on the total contributions is \$66,000 (plus the additional \$7,500 catch-up contribution if eligible). However, total contributions cannot exceed the Member's annual taxable income.

### Distribution of Excess Contributions

It is the responsibility of the Sponsored Member and the Participating Employer to comply with the Internal Revenue Code Maximum Contribution Limits stated above. If the contributions made are greater than the limits, the excess deferred income and any associated investment gain or loss will be distributed by April 15 of the following year to the Member.

## Transfer and Rollover Contributions

### Transfers to or from MIRP

If contributions under the ELCA Master Institutional Retirement Plan (MIRP) are transferred to this Retirement Plan on behalf of a Sponsored Member, they will be credited to the Sponsored Member's Retirement Account as Rollover Contributions.

If an individual is no longer a Sponsored Member in this Plan and becomes a Sponsored Member in MIRP, he or she may rollover the funds held in his/her Retirement Account to the MIRP account. The transfer will include all of the Member's Retirement Account funds except for any amount in the ELCA Participating Annuity Bridge Account.

### Transfers to Other Church Pension Plans

Portico may enter into agreements with churches or other church pension boards that would allow a transfer of assets and liabilities from this Retirement Plan to another plan for a Sponsored Member who becomes a participant in another plan. The transfer of assets and liabilities will include the entire Retirement Account, except for any annuities and any amount held in the ELCA Participating Annuity Bridge Account.

### Transfers from 403(b) Plans

The Retirement Plan will accept amounts transferred from other Internal Revenue Code § 403(b) annuity plans. Transfers received by Portico on behalf of a Sponsored Member or former Sponsored Member will be deposited in the investment funds of this Retirement Plan and credited to the Sponsored Member's or former Sponsored Member's Retirement Account as Rollover Contributions. A former Sponsored Member may only transfer funds to the ELCA Retirement Plan if the amount is \$20,000 or greater.

### Rollovers to or from the Retirement Plan

A Member or former Sponsored Member may elect a direct rollover of an Eligible Rollover Distribution from another eligible retirement plan into the Retirement Plan. Effective Jan. 1, 2020 through Dec. 31, 2024, an Eligible Rollover shall also include recontributions of COVID-related distributions from a qualified Member as provided under the section herein *COVID-Related Distributions*, in accordance with the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

A Member may elect a direct rollover from the Member's Rollover Contributions into an eligible retirement plan specified by the Member if the amount is at least \$200. A former Sponsored Member may only transfer funds to the ELCA Retirement Plan if the amount is \$20,000 or greater.

## Housing Equity Contributions

A Participating Employer may make Housing Equity Contributions on behalf of a Sponsored Member who is a minister of the gospel in accordance with Internal Revenue Code § 107. All Housing Equity Contributions made under this Plan will be paid by the Participating Employer to Portico and credited to the Sponsored Member's Retirement Account.

## After-Tax Rollover Contributions

After-Tax Rollover Contributions can be held in the Retirement Account for a Sponsored Member whose Transfer Contributions to the Plan include after-tax amounts.

## Predecessor IRA Contributions

Predecessor IRA Contributions are held in a Member's Retirement Account if the Member had a Participant Additional Account under the ELCA Regular Pension Plan. Amounts audited as of Dec. 31, 2002, to such Account were credited to the Member's Retirement Account as Predecessor IRA Contributions.

# Investment Funds

<b>ELCA Retirement Plan Investment Funds</b>	
<b>Target Date Series<sup>3</sup></b>	<b>Build-Your-Own Series</b>
Portico Retirement 2065 Social Purpose Fund Portico Retirement 2060 Social Purpose Fund Portico Retirement 2055 Social Purpose Fund Portico Retirement 2050 Social Purpose Fund Portico Retirement 2045 Social Purpose Fund Portico Retirement 2040 Social Purpose Fund Portico Retirement 2035 Social Purpose Fund Portico Retirement 2030 Social Purpose Fund Portico Retirement 2025 Social Purpose Fund Portico Retirement 2020 Social Purpose Fund Portico Retirement Income Social Purpose Fund  Portico Retirement 2065 Fund Portico Retirement 2060 Fund Portico Retirement 2055 Fund Portico Retirement 2050 Fund Portico Retirement 2045 Fund Portico Retirement 2040 Fund Portico Retirement 2035 Fund Portico Retirement 2030 Fund Portico Retirement 2025 Fund Portico Retirement 2020 Fund Portico Retirement Income Fund	Portico Global Stock Fund Portico Social Purpose Global Stock Fund Portico Non-U.S. Stock Fund Portico Social Purpose Non-U.S. Stock Fund Portico Social Purpose Stock Index Fund Portico S&P 500 <sup>®</sup> Stock Index Fund <sup>2</sup> Portico Small- and Mid-Cap Stock Index Fund Portico Global Real Estate Securities Fund Portico High-Yield Bond Fund Portico Bond Fund Portico Social Purpose Bond Fund Portico Money Market Fund

<sup>1</sup>The trademarks listed below and contained in this publication are owned, controlled, or licensed by or to Portico Benefit Services, and are protected by U.S. trademark and unfair competition laws. All rights reserved.

See the *ELCA Investment Fund Descriptions* for important information about these funds, including the target asset allocations, investment objectives, risks, charges, and expenses of each fund. The ELCA Participating Annuity Investment Fund (in which the ELCA Participating Annuity Trust currently invests and is the sole investor) is not considered an investment fund for purposes of this Investment Fund section.

<sup>2</sup>“S&P 500<sup>®</sup>” is a trademark of The McGraw-Hill Companies Inc. and has been licensed for use by Portico Benefit Services. The Portico S&P 500 Stock Index Fund is not sponsored, endorsed, sold, or promoted by Standard & Poor’s, and Standard & Poor’s makes no representation regarding the advisability of investing in the fund.

<sup>3</sup>Target date funds are designed for members expecting to retire around the year indicated in each fund’s name. When choosing a fund, please consider whether you may anticipate retiring significantly earlier or later than age 65 and select the target date fund that aligns with your expected retirement age. There may be other considerations relevant to fund selection, and you should choose the fund that best meets your individual circumstances and investment goals. Each fund’s asset allocation strategy becomes increasingly more conservative as it approaches the target date and beyond. The investment risks of each fund change over time as its asset allocation changes. Neither Portico Benefit Services nor the funds it manages are subject to registration, regulation, or reporting under the Investment Company Act of 1940, the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, or state securities laws. Accordingly, members are not afforded the protections of the provisions of those laws and regulations.

## Target Date Fund

Target date funds are designed for Members expecting to retire around the year indicated in each fund's name. When choosing a fund, Members should consider whether they anticipate retiring significantly earlier or later than age 65 and select the target date fund that aligns with their expected retirement age. There are many considerations relevant to fund selection; Members should choose the fund that best meets their individual circumstances and investment goals. Each fund's asset allocation strategy becomes increasingly more conservative as it approaches the target date and beyond. Each fund's investment risk changes over time as its asset allocation changes.

## Member Directed Investment

Portico will maintain rules, regulations, and procedures for Members who are selecting the investment funds where contributions, transfers, and rollovers will be deposited.

## Default Provisions

If a Member does not select the investment funds where contributions, transfers, and rollovers will be deposited, the contributions, transfers, and rollovers will be defaulted into the Portico Retirement Social Purpose Target Date Fund closest to the year the Member will reach age 65.

## Member Directed Reallocation

A Member may direct that his/her Retirement Account be reallocated among the available investment funds according to the following conditions:

- Reallocation may be made effective as of any business day.
- Reallocation will be based on the Retirement Account values for the business day that the transfer is effective.

## 7-Day Waiting Period

There is a seven calendar-day waiting period between the time a Member transfers money out of an investment fund until the time a Member can transfer money back into the same fund. This transfer restriction does not apply to the Portico Money Market Fund. The waiting period is in place to reduce excessive trading which can be expensive and burdensome for long-term shareholders because it can increase fund costs and disrupt portfolio management strategies.

## Processing Investment Directions

The processing of investment directions is subject to rules, regulations, and procedures that Portico adopts. The restrictions include, but are not limited to, suspending and/or postponing the processing of investment directions when the New York Stock Exchange or other major markets are closed or during emergency circumstances, as determined by the U.S. Securities and Exchange Commission.

## Valuation of Retirement Account

The amount credited to each Member's Retirement Account will be adjusted each business day to reflect contributions, transfers, rollovers, distributions, withdrawals, and other adjustments required under the rules, regulations, and procedures adopted by Portico.

# Withdrawals Prior to Retirement

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## Withdrawals at Age 59½

A Sponsored Member may make withdrawals beginning at age 59½ from the following types of contributions made to the Retirement Account:

- Employer Contributions
- Member Pretax Contributions

## Distribution Payments

Distribution payments can be made in one or a combination of the following payment options:

- In the amount(s) and at the time(s) the Sponsored Member requests
- In a series of monthly, quarterly, semiannual, or annual periodic payments of a specific amount

## Annual Limit

The total withdrawals in a year from the Employer Contribution amounts cannot be more than the greater of:

- 20% of the sum of:
  - The Employer Contribution balance in the Member's Retirement Account as of the prior Dec. 31, plus
  - The Employer Contribution balance in the ELCA Participating Annuity Bridge Account as of the prior Dec. 31; or
- \$20,000

This annual limit on total withdrawals does not apply to:

- Members over age 75,
- Designated Beneficiaries, or
- Sponsored, Disabled, or Retired Members who submit a doctor's statement or other evidence acceptable to Portico certifying that the Member is terminally ill and death is expected within 12 months.

## Transfers within Member's Retirement Account

A Sponsored Member who is eligible to make a withdrawal may transfer the withdrawal funds to his/her Rollover Contribution funds within the Retirement Account.

## Withdrawals in the Event of Disability

If disabled, as determined under Internal Revenue Code § 72(m)(7), a Sponsored Member may make withdrawals from the following types of contributions made to the Member's Retirement Account:

- Employer Contributions
- Member Pretax Contributions

### Distribution Payments

Distribution payments can be made in one or a combination of the following payment options:

- In the amount(s) and at the time(s) as the Sponsored Member requests
- In a series of monthly, quarterly, semiannual, or annual periodic payments of a specific amount

### Annual Limit

The total withdrawals in a year from Employer Contribution amounts cannot be more than the greater of:

- 20% of the sum of:
  - The Employer Contribution balance in the Member's Retirement Account as of the prior Dec. 31, plus
  - The Employer Contribution balance in the ELCA Participating Annuity Bridge Account as of the prior Dec. 31; or
- \$20,000

This annual limit on total withdrawals does not apply to:

- Members over age 75,
- Designated Beneficiaries, or
- Sponsored, Disabled, or Retired Members who submit a doctor's statement or other evidence acceptable to Portico certifying that the Member is terminally ill and death is expected within 12 months.



## Hardship Withdrawals

A Member may make a hardship withdrawal from Employer Contribution amounts or Member Pretax Contribution amounts when an immediate and heavy financial need arises from the following:

- Uninsured medical expenses (as described in Internal Revenue Code § 213) incurred by the Member, the Member's spouse, or dependents,
- Costs directly related to the purchase of the Member's principal residence (excluding mortgage payments),
- Tuition and related fees for the next 12 months of post-secondary education for the Member, spouse, children, or dependents (as defined in Internal Revenue Code § 152 without regard to § 152(d)(1)(B)),
- Payments to prevent the Member's eviction from his/her principal residence or its foreclosure,
- A natural disaster, if the Member furnishes a written representation that the need cannot reasonably be relieved by insurance reimbursement or compensation,
- Expenses and losses (including loss of income) incurred to principal residence or place of employment, if located in a federally-declared disaster area, or
- Payments for burial or funeral expenses for the Member's deceased parent, spouse, children, or dependents.

A distribution is considered to be necessary to satisfy a Member's immediate and heavy financial need if the distribution is not more than the amount of the Member's immediate and heavy financial need, although the distribution amount may also include an amount to pay taxes or penalties that occur due to the distribution. A Member must represent that he/she has insufficient cash or other liquid assets to satisfy the immediate and heavy financial need. The Plan Administrator can rely on the Member's representation unless there is actual knowledge to the contrary.

## Withdrawals from Housing Equity Contributions, Rollover Contributions, Predecessor IRA Contributions, and After-Tax Contributions

A Member may request a withdrawal from his/her Housing Equity Contributions, Rollover Contributions, Predecessor IRA Contributions, and After-Tax Rollover Contributions at any time. Withdrawals can be made in one or a combination of the following payment options:

- Payment in the amount(s) and at the time(s) the Member requests
- Payment in a series of monthly, quarterly, semiannual, or annual payments of a specific dollar amount

# Withdrawals After Retirement or Other Separation from Service

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A Member may have withdrawal distributions start as follows:

- 30 days after Retirement or Separation from Service, or
- Less than 30 days after Retirement or Separation from Service if the Sponsored Member confirms the receipt and reading of the required special tax notice and provides a written waiver of the 30-day waiting period.

Refer to the Glossary's definition of *Separation from Service* for rostered and non-rostered members.

## **Distribution Payments**

Distribution payments can be made in one or a combination of the following payment options:

- In the amount(s) and at the time(s) as the Sponsored Member requests
- In a series of monthly, quarterly, semiannual, or annual periodic payments of a specific amount

## **Annual Limit**

The total withdrawals in a year from Employer Contributions cannot be more than the greater of:

- 20% of the sum of:
  - The Employer Contribution balance in the Member's Retirement Account as of the prior Dec. 31, plus
  - The Employer Contribution balance in the ELCA Participating Annuity Bridge Account as of the prior Dec. 31; or
- \$20,000

This annual limit on total withdrawals does not apply to:

- Members over age 75,
- Designated Beneficiaries, or
- Sponsored Members, Disabled Members, or Retired Members who submit a doctor's statement or other evidence acceptable to Portico certifying that the Member is terminally ill and death is expected within 12 months.

## **Transfers within Member's Retirement Account**

A Sponsored Member who is eligible to make a withdrawal may transfer the withdrawal funds to his/her Rollover Contribution funds within the Retirement Account.

## Required Minimum Distributions (RMD)

As required by IRC § 401(a)(9), required minimum distributions (RMDs) from the Member's Retirement Account to a Member must begin by April 1 of the year following the later of:

1. The year the Member is:
  - age 70½ (if Member reaches age 70½ on or before Dec. 31, 2019),
  - age 72 (if Member reaches age 72 during Jan. 1, 2020 – Dec. 31, 2022),
  - age 73 (if Member reaches age 73 during Jan. 1, 2023 – Dec 31, 2031), or
  - age 75 (if Member reaches age 75 on or after Jan. 1, 2033), and
  
2. The year the Member retires from employment at his or her Participating Employer.

Once a Member begins receiving the required minimum distributions – based on triggering events of retiring and reaching the RMD age – there is no provision in the Internal Revenue Code that allows a returning-to-work individual to stop receiving required minimum distributions.

NOTE: The CARES Act enabled any taxpayer with an RMD due in 2020 to skip the 2020 RMD. This also applied to taxpayers who turned 70½ in 2019 and who would have had to take the first RMD by April 1, 2020.

NOTE: Beginning Jan. 2023, the SECURE ACT 2.0 increased the age requirement for RMDs. However, as drafted, 2032 is a gap year which will need to be corrected by future federal regulations.

# General Withdrawal and Distribution Information

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## Minimum Withdrawals

Withdrawals requested by a Member must be at least \$250, or the value of the Retirement Account, if less. No withdrawals or transfers are permitted from a Member's ELCA Participating Annuity Bridge Account except if the account balance is below the minimum amount required to annuitize or in the event a Designated Beneficiary is a non-natural person, such as a Trust or Estate.

## Payment of Taxes

Portico or its Agent may pay any estate, inheritance, income, or other tax, charge, or assessment attributable to any Plan benefit payment that is or may be required to be paid out of the benefit. Before making any payment, Portico or its Agent may require a release or other document from any taxing authority and an indemnity from the beneficiary.

## Housing Allowance Designation

As part of compensation for past services, each annuity and Retirement Plan distribution made to a Retired Member who is a minister of the gospel (as defined in Internal Revenue Code § 107), one hundred percent (100%) thereof, or such other portion or amount as shall be determined from time to time by or pursuant to resolution of Portico Benefit Services, shall be eligible to be treated as housing allowance for purposes of Internal Revenue Code § 107.

## Reemployment when Distributions are Occurring

If a Member becomes employed while the Member is receiving distributions, the Member may modify or stop all of the distributions except for the following:

- Annuity payments according to the *Participating Annuity Benefit* subsection of this Summary Plan Description
- Required Minimum Distributions in accordance with Internal Revenue Code § 401(a)(9)

## Small Retirement Account Balances

If a Member is no longer an Eligible Employee and the Retirement Account balance is \$1,000 or less, Portico may require a Member to withdraw his/her entire Retirement Account balance.

## Incompetent Payee

If a Member (including Surviving Spouse, Designated Beneficiary, and/or Alternate Payee) is entitled to benefit payments but is under a legal disability (e.g., minors) or is incapacitated in such a way that he or she is unable to manage financial affairs, then the payment may be made to the Member's guardian, conservator, or other legal personal representative if Portico receives evidence satisfactory to Portico of that status. Before Portico receives evidence of the Member's status, Portico may have the Member's payments made to a person or institution that Portico believes is caring for the Member. Portico has no liability for payments so made.

# Distribution in the Form of an Annuity

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Members (including Surviving Spouses, Eligible Designated Beneficiaries, and Alternate Payees) who have an ELCA Participating Annuity Bridge Account *must* elect a distribution in the form of an annuity. All other Members who have a Retirement Plan Account *may* elect a distribution in the form of an annuity.

If a Member is electing a distribution in the form of an annuity, the Member:

- Must have retired after age 60 or after completing at least 30 years of church service, and
- Must not be entitled to a monthly disability benefit under the ELCA Disability Benefits Plan.

For Bridge Fund Accounts:

- The Member may annuitize after the Member reaches age 60, regardless of employment status.
- The Member must annuitize no later than April 1<sup>st</sup> of the year following the calendar year in which the Member reaches 72 or retires from service, if later.
- The Member must annuitize prior to age 80, regardless of employment status.
- If the Designated Beneficiary of an ELCA Participating Annuity Bridge Account is not a natural person (e.g., an Estate or Trust) or an Eligible Designated Beneficiary, the funds shall be transferred from the Bridge Account to the default investment fund for investment or distribution.

## Participating Annuity Benefits

To start an annuity, a Member must choose from the annuity options listed below. The option selected determines the amount the Member will receive when the monthly annuity payments begin, as well as the amount the co-annuitant or beneficiary will receive after the Member or co-annuitant dies.

### Single-life annuity

- **Single-life annuity with no minimum payout.** This option provides monthly payments that end upon the Member's death.
- **Single-life annuity with 15-year minimum payout.** This option provides monthly payments for at least 15 years (180 months) and continues until the Member's death. If the Member dies before receiving 180 monthly payments, the Designated Beneficiary will receive the remainder of the 180 payments, or an equivalent lump-sum payment.

If the annuity was established after 2019 and the Designated Beneficiary is not an Eligible Designated Beneficiary as defined by the SECURE Act, the Designated Beneficiary must receive full distribution by the end of the tenth calendar year after the Member's death.

### Joint-life annuity

This option provides monthly payments for at least 15 years (180 months) and continues until the deaths of both the Member and the co-annuitant. The Member must select the annuity payment percentage that will be continued to the joint-life survivor from one of the following three options:

- **Joint-life annuity with 60% to survivor and 15-year minimum payout**
- **Joint-life annuity with 80% to survivor and 15-year minimum payout**
- **Joint-life annuity with 100% to survivor and 15-year minimum payout**

If both the Member and the co-annuitant die before receiving 180 monthly payments, the Designated Beneficiary will receive the remainder of the 180 payments or an equivalent lump-sum payment.

If the annuity was established after 2019 and the Designated Beneficiary is not an Eligible Designated Beneficiary as defined by the SECURE Act, the Designated Beneficiary must receive full distribution by the end of the tenth calendar year after the later of the Member and co-annuitant's death.

#### **Notes for Designated Beneficiaries:**

- The single-life annuity with 15-year minimum payout option is not available for an Eligible Designated Beneficiary who is age 70½ or older at the time he/she starts an annuity.
- The joint-life annuity is not available for an Eligible Designated Beneficiary.
- If the annuity was established after 2019 and the Designated Beneficiary is not an Eligible Designated Beneficiary as defined by the SECURE Act, the Designated Beneficiary is unable to start an annuity, and must receive full distribution by the end of the tenth calendar year after the Member's death for any existing annuity.

### **Default Selection**

If a Member is married and has not selected an annuity type, the annuity type will default to the *joint-life annuity with 100% payable to the survivor and 15-year minimum payout*.

If a Member is single and has not selected an annuity type, the annuity type will default to the *single-life annuity with 15-year minimum payout*.

### **Multiple Annuities**

A Member may have up to six annuities and may select different start dates, type of annuity, and co-annuitant for each annuity created.

### **Spousal or ESGP Consent**

A spouse or ESGP must provide proper written consent before the Member may elect a single-life annuity or a co-annuitant who is not the spouse or ESGP.

### **Annuity Beneficiary**

If payments are remaining under a single-life or joint-life annuity that includes a 15-year minimum payout feature, payments to the Eligible Designated Beneficiary after the death of the Member (and co-annuitant, if applicable) will:

- Be paid in the same monthly amount as would have been paid to the Member (or co-annuitant, if applicable) if he/she had survived, including any adjustments outlined below, or
- Be paid in a lump sum if an Eligible Designated Beneficiary is at least 21 years old, elects to receive a lump-sum payment and Portico elects, in its sole discretion, to make a lump-sum payment instead of small monthly payments.

If the annuity was established after 2019 and the Designated Beneficiary is not an Eligible Designated Beneficiary as defined by the SECURE Act, the Designated Beneficiary must receive full distribution by the end of the tenth calendar year after the Member's death.

The amount of a lump-sum payment will be the actuarial equivalent of the monthly payments the Designated Beneficiary would have received.

If a Designated Beneficiary dies before receiving the entire benefit, the unpaid balance will be paid to the Designated Beneficiary's beneficiary.

## **Adjustments to Monthly Annuity Payments**

Once annuity payments have begun, adjustments that will increase or decrease annuity payment amounts will be made as determined by Portico in accordance with the *Investment Memorandum for the ELCA Participating Annuity*. The adjustments – both increases and decreases – will apply to all ELCA annuities payable, except for those ELCA annuities that originally provided for current year distribution of any excess investment earnings, which will have any decrease applied as an adjustment to the annuity payment and any increase paid as a dividend for dividend-eligible annuities.



# Distributions to a Beneficiary

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## After the Required Minimum Distributions Have Started

If a Member passes away after his/her Required Minimum Distributions (RMDs) have started, the remaining payments will be made to the Member's Eligible Designated Beneficiary at least as quickly as the distribution method that was selected by the Member, but in any event, if the Designated Beneficiary is not an Eligible Designated Beneficiary as defined by the SECURE Act, the Member's Account must be fully distributed by the end of the tenth calendar year after the Member's death.

NOTE: An "Eligible Designated Beneficiary" is a Designated Beneficiary who is:

- the Member's Surviving Spouse,
- a beneficiary no more than ten (10) years younger than the deceased Member,
- a beneficiary who meets the definition of disabled or chronically ill under the Internal Revenue Code, or
- a Member's minor child (but only until the child is the age of majority based on state law).

## Before the Required Minimum Distributions Have Started

### Surviving Spouse as Designated Beneficiary

If a Member passes away before his/her RMDs have started, and the Surviving Spouse is the Designated Beneficiary, the Retirement Account will be distributed as follows:

- Distributions may be made:
  - In the amount(s) and at the time(s) requested, or
  - In a series of monthly, quarterly, semiannual, or annual periodic payments of a specified amount.
- Distributions must begin by the later of:
  - The end of the year following the year the Member dies, or
  - The end of the year the Member would have reached:
    - age 70½ (if Member reaches age 70½ on or before Dec. 31, 2019),
    - age 72 (if Member reaches age 72 during Jan. 1, 2020 – Dec. 31, 2022),
    - age 73 (if Member reaches age 73 during Jan. 1, 2023 – Dec. 31, 2031), or
    - age 75 (if Member reaches age 75 on or after Jan. 1, 2033), and

Members (including Surviving Spouses) who have an ELCA Participating Annuity Bridge Account *must* elect a distribution in the form of an annuity. The annuity benefit will be:

- A single-life annuity, or
- A single-life annuity with 15-year minimum payout (NOTE: this option is not available if the Surviving Spouse will be 70½ or older at the time the payments must begin).

### ESGP or Other Individual as Designated Beneficiary

If a Member passes away before his/her RMDs have begun, and the Designated Beneficiary is not the Surviving Spouse or other Eligible Designated Beneficiary, the Retirement Account will be distributed as follows:

- Distributions must begin by the end of the year following the year the Member died.



- Distributions to Designated Beneficiaries must be completed by the end of the 10<sup>th</sup> calendar year following the death of the Member, except the following Eligible Designated Beneficiaries:
  - the Member’s Surviving Spouse,
  - a beneficiary no more than ten (10) years younger than the deceased Member,
  - a beneficiary who meets the definition of disabled or chronically ill under the Internal Revenue Code, or
  - a Member’s minor child (but only until the child is the age of majority under state law).
- Distributions may be made:
  - In the amount(s) and at the time(s) requested, or
  - In a series of monthly, quarterly, semiannual, or annual periodic payments of a specified amount.

Members (including Eligible Designated Beneficiaries and Alternate Payees) who have an ELCA Participating Annuity Bridge Account *must* elect a distribution in the form of an annuity. Members without an ELCA Participating Annuity Account *may* elect a distribution in the form of an annuity. The annuity benefit will be:

- A single-life annuity, or
- A single-life annuity with 15-year minimum payout (NOTE: this option is not available if the Eligible Designated Beneficiary will be 70½ or older at the time the payments must begin).

Any amount in the ELCA Participating Annuity Bridge Account at the time of the Member’s death will be transferred into a default investment fund selected by Portico.

## Underage Designated Beneficiary

If a Designated Beneficiary is not age 21 at the time a distribution is to be made, monthly withdrawals will be paid in an amount determined by Portico after consulting with the Designated Beneficiary’s legal guardian.

## Trust as Designated Beneficiary

A Trust that is named as a Designated Beneficiary may qualify as an “eligible trust” if the requirements under Treasury Regulations 1.401(a)(9)-4 are met. If the Trust meets the requirements, the life expectancy used for calculating any Required Minimum Distribution will be the trust beneficiary with the shortest life expectancy. A trust that does not qualify as an eligible trust will be treated as having no life expectancy, but it still may be named as a Member’s Designated Beneficiary.

If the Designated Beneficiary of an ELCA Participating Annuity Bridge Account is not a natural person (e.g., an Estate or Trust) or an Eligible Designated Beneficiary, the funds shall be transferred from the Bridge Account to the default investment fund in the ELCA Retirement Plan for investment or distribution.

# Designating a Beneficiary

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A Member should name a beneficiary or beneficiaries to receive his/her Retirement Account assets upon his/her death and a beneficiary to receive his/her Annuity, if applicable. A beneficiary can be an individual or entity, including a trust, estate, or charitable organization.

## **Spouse or ESGP as Designated Beneficiary**

If the Member is married or has satisfied the ESGP requirements, the spouse or ESGP must be the Designated Beneficiary, unless the spouse or ESGP consents to another individual or an entity being named as Designated Beneficiary.

## **Other as Designated Beneficiary**

If the Member names a beneficiary other than the spouse or ESGP, the spouse or ESGP must provide written consent by signing the beneficiary designation form, in the presence of a notary public, verifying that the spouse or ESGP waives his/her right to the Retirement Account assets.

## **No Designated Beneficiary Named**

If the Member does not name a beneficiary or there is not an eligible beneficiary, the Designated Beneficiary will be the following person(s) in the first of the following classes where there is a survivor, with each person in the class receiving an equal share:

- The Member's spouse or ESGP
- The Member's children in equal shares, except that if any of his/her children die before the Member but leave surviving children, such children will receive by right of representation the share their parent would have received, if living
- The Member's parents
- The Member's brothers and sisters.
- The Member's estate.

For purposes of distribution (other than annuities established prior to 2020), the SECURE Act requires that distribution to a Designated Beneficiary must occur by the end of the tenth calendar year following a Member's death unless the Designated Beneficiary is also an Eligible Designated Beneficiary, which includes the following:

- The Member's Surviving Spouse,
- A beneficiary no more than ten (10) years younger than the deceased Member,
- A beneficiary who meets the definition of disabled or chronically ill under the Internal Revenue Code, or
- A Member's minor child (but only until the child is the age of majority under state law).

## **Divorce or Dissolution**

A divorce or dissolution of partnership revokes a beneficiary designation that names the former spouse or former ESGP. In order to name a former spouse or former ESGP as Designated Beneficiary, a new beneficiary designation form – dated after the date of the divorce decree or dissolution of partnership – must be completed and provided to Portico.

# Appeal Procedure

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If a Member applies for a benefit under the Plan and the benefit received is not the benefit that was expected, or the benefit is denied and the Member believes he/she is entitled to such benefit under the Plan, the Member must contact the Portico Customer Care Center. If the Member is dissatisfied with the decision, the Member must proceed as follows:

## **Appeal to the President**

An appeal may be made in writing, within 60 days of the receipt of any unsatisfactory determination, to the President of Portico Benefit Services. The appeal should contain a statement of the facts, including any new or additional information not considered in the initial decision, and a statement of the desired outcome. The President will review the appeal with the advice and counsel of the internal appeals committee that consists of at least 3 staff members who were not involved in the original decision. The President will respond to the appeal within 30 days of receipt of a signed authorization for disclosure of protected health information, unless the President notifies the individual making the appeal of the need for an additional 30 days to consider the appeal. The President may only approve an appeal if it is determined that an error was made in the initial benefits determination, or the appeal involves matters relating to Plan interpretation. In the case of changing technology or circumstances, the President may recommend an expansion of benefit coverage requiring Plan amendments, which may or may not be retroactive. All such Plan amendments must be approved by the President, the Board of Trustees, and/or the Church Council.

## **Appeal to the Appeals Committee of the Board of Trustees**

If an individual is dissatisfied with the President's decision, he/she must appeal to the Appeals Committee of the Board of Trustees of Portico Benefit Services within 60 days of receipt of the President's written response. The Appeals Committee will consist of 5 to 7 members of the Board of Trustees, at least one of whom is a participant in a plan under the Traditional Benefits Program. The Appeals Committee may also include outside independent consultants with expertise in the area of the appeal who will serve with voice but without vote. The Appeals Committee will schedule a meeting to review the appeal within 30 days of receipt. The final written decision of the Appeals Committee will be sent to the individual making the appeal within 60 days after receiving a signed authorization for disclosure of protected health information.

## **Court System**

If an individual has exhausted the appeals process and is dissatisfied with the final decision of the Appeals Committee of Portico Benefit Services, he/she must initiate legal action in the Minnesota Fourth Judicial District Court, Hennepin County. Any removal of such action must be to the United States Court for the District of Minnesota. Legal action cannot be taken more than 3 years after the date of the event upon which the claim is based. Members, Surviving Spouses, Designated Beneficiaries, Alternate Payees and other parties claiming a benefit or right under the ELCA Retirement Plan irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, any right they may have to a trial by jury in any legal action, proceeding, cause of action, or counterclaim arising out of or relating to the ELCA Retirement Plan.

# Assignment of Retirement Benefits

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Except as provided in the Plan or required by law, the interests of persons entitled to benefits under this Plan may not in any manner whatsoever be assigned or alienated, whether voluntarily or involuntarily, or directly or indirectly.

## Qualified Domestic Relations Order (QDRO)

The Plan is a “church plan” and has an exempt status under the provisions of the Employee Retirement Income Security Act and the Internal Revenue Code. However, a court judgment, decree, or order that provides for child support, alimony, maintenance payments, and/or marital property rights to a spouse, former spouse, child, or other dependent (Alternate Payee) of a Member will be honored, provided the court judgment, decree, or order meets the requirements of a Qualified Domestic Relations Order as provided under Internal Revenue Code § 414(p).

Upon Fidelity’s receipt and review of a QDRO for retirement plan funds, Portico will assign up to 100% of:

- a Member’s Retirement Account to the Alternate Payee. The portion assigned will be transferred to a separate account in the Alternate Payee’s name. The Alternate Payee will have substantially all of the rights of investment, transfer, withdrawal, and retirement payment forms that are available to the Member.
- A Fidelity processing fee of \$200 will be assessed against the member’s account.

Upon Portico’s receipt of a QDRO for annuity payment benefits, Portico will assign up to 100% of:

- a Member’s monthly annuity benefit to the Alternate Payee. The Alternate Payee will continue to receive the assigned portion of the Member’s monthly annuity benefit and applicable adjustments until the death of the Member. Upon the death of the Member, the Alternate Payee’s monthly annuity benefit, if any, will be determined by the type of annuity benefit selected by the Member.

# Miscellaneous Provisions and Disclosures

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## Plan Documents

The Retirement Plan documents are available by contacting the Portico Customer Care Center. This Summary Plan Description, along with summaries and information about all other plans, is available at [myPortico.PorticoBenefits.org](http://myPortico.PorticoBenefits.org) or by contacting the Portico Customer Care Center. Current versions replace and supersede all prior versions. Each of the plans is governed and administered individually through a separate plan document. The assets of each plan are held in separate trusts and do not allow one plan to fund another plan. The plans are church plans, as defined in Internal Revenue Code §414(e) and are not subject to the Employee Retirement Income Security Act.

## Amendments to the Plan

The ELCA Churchwide Assembly, the ELCA Church Council, or Portico may propose amendments to the Plan. All proposed amendments must be submitted to Portico for recommendation before final action is taken by the ELCA Church Council. An amendment will not reduce a Member's Retirement Account balance on the effective date of the amendment. See the *Investment Memorandum for the ELCA Participating Annuity Trust* for more details about amendments to the Annuity Trust.

## Termination of the Plan

The ELCA Church Council may terminate the Retirement Plan by following the previously described amendment process. If the Plan is terminated, the existing funds in Members' Retirement Accounts may be distributed in such manner as Portico, in its sole discretion, determines is fair and equitable. After termination, contributions can no longer be made to the Plan. Termination of the Plan will not reduce a Member's Retirement Account balance.

## Obligations of a Sponsored Member

A Sponsored Member will comply with all requirements established by Portico regarding enrollment and administration of the Plan including, but not limited to, providing the Sponsored Member's date of birth, marital status, marital and family support obligations, social security number, and disabled status.

If the Sponsored Member does not comply with reasonable requirements or knowingly provides false, inaccurate, or misleading information, the Sponsored Member will be obligated to reimburse Portico for the reasonable expenses and damages incurred by Portico as the result of the failure including, but not limited to, an amount determined by Portico to be the additional staff expense related to discovering, correcting, and/or adjusting for such failure. Portico may charge the Sponsored Member's future benefit payments under this Plan, if any, for the additional expense.

## Administration by Portico Benefit Services

This Plan is administered by the Board of Pensions of the Evangelical Lutheran Church in America, doing business as Portico Benefit Services. Except as otherwise stated in this Summary Plan Description, Portico will control and manage the operation and administration of the Plan and make all related decisions and determinations.

Portico does not provide legal or tax advice. For legal or tax questions, or specific advice, Members should consult with a legal and tax advisor.

Portico will be paid a reasonable fee from the ELCA Retirement Trust for administrative services provided by Portico to the Plan and the ELCA Retirement Trust, including a fee for informing employees and employers of the availability of the Plan. The fee charged to the ELCA Retirement Trust will create a lien on the ELCA Retirement Trust until paid.

During the operation and administration of the Plan, certain mathematical and accounting errors may be made or mistakes may arise for various reasons, including from factual errors in information supplied to Portico. Portico has the power to make an equitable adjustment to correct the errors as Portico, in its sole discretion, considers appropriate. All adjustments will be final and binding on all persons.

## Limitation of Liability

Portico will not be liable for a Participating Employer's failure to enroll an individual in the Plan or failure to make contributions to the Plan. Portico is also not liable to any Sponsored Member or other person or entity for any of its acts carried out in good faith and based upon information available at the time.

## Not a Party to Contract Between an Employer and an Employee

An Eligible Employee may have certain employment or contractual rights which, as between the Eligible Employer and the Eligible Employee, may obligate the Eligible Employer to make contributions to the Plan on behalf of the Eligible Employee. Portico is not a party to any such contract. If the Eligible Employer does not fulfill its obligations under such contract, the Eligible Employee can look only to the Eligible Employer to settle the dispute. Portico will not be liable for a Participating Employer's failure to enroll an Eligible Employee in the Plan or failure to make contributions to the Plan. Portico will not provide coverage under this Plan if it has not received contributions.

## Rules of Construction and Applicable Law

The Plan will be construed and administered according to the laws of the State of Minnesota, to the extent that such laws are not preempted by the laws of the United States of America. All controversies, disputes, and claims arising hereunder must be submitted to the Minnesota Fourth Judicial District Court, Hennepin County.

## Fund Managers

The ELCA Retirement Plan investment funds are not registered mutual funds, but rather investment pools managed separately under Portico supervision. Portico is responsible for establishing the investment objectives and strategy for the various investment choices in the Retirement Plan. Portico investment staff identifies qualified money managers in each investment category to assist in carrying out Portico's strategy.

A complete list of investment fund managers for each fund can be found in the *ELCA Investment Fund Descriptions* booklet available at [myPortico.PorticoBenefits.org/summaries](http://myPortico.PorticoBenefits.org/summaries) or by contacting the Portico Customer Care Center. Portico reserves the right to change investment managers at any time without notice.

## USERRA

Contributions, benefits, and service credit related to qualified military service will be provided as specified under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), regardless of any Plan provision to the contrary.



## Confidentiality

Portico maintains a written confidentiality policy. Without prior written consent, neither Portico nor the recordkeeping service will disclose confidential information relating to a Member's Retirement Account to any person other than agents who provide services to Members on behalf of the Member, the Member's spouse or ESGP, or the Plan. In addition, no employee of Portico, the Member's employer, or the recordkeeper will have access to confidential information relating to a Member's Retirement Account, except as required to ensure proper administration of the Plan. Portico may disclose information under an order or request from a court or administrative agency, which it determines is validly issued and binding.

## Unclaimed Benefits

If benefits are not claimed within three years from the date they were due to be paid (as determined by Portico or the provider of recordkeeping services) and the Member cannot be located, the Retirement Account balance may revert to the Member's state of residence on file, in accordance with state escheat laws.

## Securities Law Exemption

The ELCA Retirement Plan, Portico, and each of the investment funds are not subject to registration, regulations, or reporting under the Investment Company Act of 1940, the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, or state securities laws. Therefore, Members are not afforded the protections of the provisions of those laws and related regulations. Plan administration and plan asset management are subject to prudent investor and exclusive benefit rules.

## Investment Redemptions

Investment redemptions may be delayed or suspended if (a) the investment has insufficient liquidity to fund pending redemptions without adversely affecting the non-redeeming investors, (b) the value of any relevant investment's assets cannot be reasonably determined, (c) one or more of the markets on which the relevant investment's assets are traded are closed or otherwise not functioning in a normal manner, or (d) if for any other reason, based upon reasonable belief, such a delay or suspension is appropriate in order to avoid adversely affecting the non-redeeming investors. All benefits under this Plan are provided only from the appropriate investment fund(s), and only to the extent that such investment fund(s) is adequate.

## Utilizing Financial Futures and/or Options

In managing funds, Portico may use financial futures and/or options to help control overall portfolio risk and potentially enhance portfolio values and returns. Portico is not required to register as a commodity pool operator under the Commodity Futures Trading Commission (CFTC) rules and is not subject to the operating criteria of CFTC Rule 4.5. Nevertheless, Portico uses financial futures and options prudently within the context of total portfolio circumstances for the purpose of furthering the Plan's objective.

# Appendix: Eligible Employers, Eligible Employees, and Sponsorship Criteria

Certain Eligible Employers are required to sponsor all Eligible Employees and certain Eligible Employers have partial or full discretion in determining the Eligible Employees to sponsor. The seven Sections below describe the Eligible Employers, Eligible Employees, and sponsorship requirements.

<b>Section I</b>	<b>Eligible Employers</b>	<ul style="list-style-type: none"> <li>• ELCA synods</li> <li>• ELCA seminaries</li> <li>• ELCA Churchwide Unit:             <ul style="list-style-type: none"> <li>– Churchwide Organization</li> <li>– Women of the ELCA</li> <li>– ELCA Mission Investment Fund</li> <li>– ELCA Foundation</li> <li>– Portico Benefit Services</li> </ul> </li> </ul>
	<b>Sponsorship Requirement</b>	These Eligible Employers are required to sponsor all Eligible Employees except for temporary employees and non-ELCA ordained ministers.
	<b>Eligible Employees</b>	<ul style="list-style-type: none"> <li>• ELCA Ministers of Word and Sacrament serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year;</li> <li>• ELCA Ministers of Word and Service serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year; and</li> <li>• Non-ELCA ordained clergy serving under a letter of call or contract and scheduled to work at least 20 hours a week for 6 or more months each year</li> <li>• Other employees scheduled to work at least 20 hours a week for 6 or more months each year and who have completed any probationary period (not to exceed 90 days)</li> </ul>

<b>Section II</b>	<b>Eligible Employers</b>	<ul style="list-style-type: none"> <li>• ELCA congregations</li> <li>• Former ELCA congregation that sponsored an Eligible Employee in this Plan on Jan. 1, 2005, and continuously thereafter</li> <li>• A congregation of a denomination that is in a full communion relationship with the ELCA</li> <li>• A congregation or qualified church-controlled organization of a non-ELCA church body that has common religious bonds with the ELCA and has petitioned to and been approved by Portico to be the church body's sole benefits provider</li> </ul>
	<b>Sponsorship Requirement</b>	These Eligible Employers have full discretion in deciding which Eligible Employees to sponsor.



	<b>Eligible Employees</b>	<ul style="list-style-type: none"> <li>• ELCA Ministers of Word and Sacrament serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year</li> <li>• ELCA Ministers of Word and Service serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year</li> <li>• Non-ELCA ordained clergy serving under a letter of call or contract and scheduled to work at least 20 hours a week for 6 or more months each year</li> <li>• Other employees scheduled to work at least 20 hours a week for 6 or more months each year and who have completed any probationary period (not to exceed 90 days)</li> </ul>
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<b>Section III</b>	<b>Eligible Employers</b>	<p>An ELCA “qualified church-controlled organization” as determined by the ELCA within the meaning of IRC § 3121(w).</p> <p>NOTE: An ELCA elementary or secondary school, daycare center, camp, or conference center that is a separately incorporated legal entity will be treated as a separate “Eligible Employer” provided the employer otherwise meets the requirements of this <i>Section III</i>.</p>
	<b>Sponsorship Requirement</b>	These Eligible Employers have full discretion in deciding which Eligible Employees to sponsor.
	<b>Eligible Employees</b>	<ul style="list-style-type: none"> <li>• ELCA Ministers of Word and Sacrament serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year</li> <li>• ELCA Ministers of Word and Service serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year</li> <li>• Non-ELCA ordained clergy serving under a letter of call or contract and scheduled to work at least 20 hours a week for 6 or more months each year</li> <li>• Other employees scheduled to work at least 20 hours a week for 6 or more months each year and who has completed any probationary period (not to exceed 90 days)</li> </ul>

<b>Section IV</b>	<b>Eligible Employers</b>	<p>An ELCA “church-controlled organization” but not a “qualified church-controlled organization” described in <i>Section III</i> above.</p> <p>NOTE: An ELCA elementary or secondary school, daycare center, camp, or conference center that is a separately incorporated legal entity will be treated as a separate Eligible Employer provided the employer otherwise meets the requirements of this <i>Section IV</i>.</p>
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	<b>Sponsorship Requirement</b>	These Eligible Employers may sponsor any ELCA Minister of Word and Sacrament but must sponsor either all or none of its other Eligible Employees.
	<b>Eligible Employees</b>	<ul style="list-style-type: none"> <li>• ELCA Ministers of Word and Sacrament serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year</li> <li>• ELCA Ministers of Word and Service serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year</li> <li>• Non-ELCA ordained clergy serving under a letter of call or contract and scheduled to work at least 20 hours a week for 6 or more months each year</li> <li>• Other employees scheduled to work at least 20 hours a week for 6 or more months each year and who has completed any probationary period (not to exceed 90 days)</li> </ul>

<b>Section V</b>	<b>Eligible Employers</b>	A 501(c)(3) organization (other than an organization described in <i>Sections I - IV</i> above) that employs an individual who is performing service as an ELCA Minister of Word and Sacrament or an ELCA Minister of Word and Service.
	<b>Sponsorship Requirement</b>	The Eligible Employer may sponsor any of its ELCA Ministers of Word and Sacrament and may sponsor all or none of its ELCA Ministers of Word and Service.
	<b>Eligible Employees</b>	<ul style="list-style-type: none"> <li>• ELCA Ministers of Word and Sacrament serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year</li> <li>• ELCA Ministers of Word and Service serving under a letter of call and scheduled to work at least 15 hours a week for 6 or more months each year</li> </ul>

<b>Section VI</b>	<b>Eligible Employers</b>	A non-501(c)(3) organization that employs an individual who is performing service as an ELCA Minister of Word and Sacrament.
	<b>Sponsorship Requirement</b>	The Eligible Employer may sponsor any of its ELCA Ministers of Word and Sacrament.
	<b>Eligible Employees</b>	ELCA Ministers of Word and Sacrament serving under a letter of call and scheduled to work 15 or more hours a week for 6 or more months each year.

<p><b>Section VII</b></p>	<p><b>Eligible Employers</b></p>	<p>An individual will be treated as his/her own employer if he or she:</p> <ul style="list-style-type: none"> <li>• Is not sponsored by his/her Eligible Employer that is listed in <i>Sections III – VI</i> above,</li> <li>• Is performing service in the exercise of his/her ministry as an ELCA Minister of Word and Sacrament, and</li> <li>• Is scheduled to work 15 or more hours a week for 6 or more months each year.</li> </ul>
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# Glossary

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## Alternate Payee

A spouse, former spouse, child, or other dependent of a Sponsored Member who is recognized by a qualified domestic relations order (QDRO) as having a right to receive all or a portion of a Sponsored Member's benefits.

## Annuitize

The process of converting a sum of money into an annuity.

## Annuity

An annuity provides a series of payments at regular intervals for a specified period. How annuities are paid and when they begin depends on the type of annuity.

## Bridge Account

An account for investing money before it is annuitized that is part of the ELCA Participating Annuity Trust and is invested in the ELCA Participating Annuity Investment Fund. This type of account was closed to new investments as of April 3, 2009; accordingly, neither transfers (other than those mentioned in the plan document) nor contributions to bridge accounts can be made any longer.

## Defined Compensation

"Defined Compensation" includes actual gross taxable cash compensation, plus the amount of any contribution made to a tax-sheltered annuity plan as defined in Internal Revenue Code § 402(g)(3)(C) or for a qualified benefit as provided for in Internal Revenue Code § 125 or § 132 pursuant to a salary reduction agreement entered into by the Participating Employer and the Sponsored Member. "Defined Compensation" does not include nontaxable reimbursements or expense allowances.

Housing Allowance Note: For ministers and certain teachers who are recognized as ministers of the gospel for purposes of Internal Revenue Code §107, Defined Compensation also includes the amount of any housing allowance, or an additional 30% of cash compensation plus furnishings, or utility allowances paid directly to the Sponsored Member if housing is furnished by the Participating Employer.

## Disability

"Disability" or "Disabled" means a disability as determined by the Employer, except for *Withdrawals in the Event of Disability*, where a disability is determined in accordance with Internal Revenue Code § 72(m)(7).

## Eligible Designated Beneficiary

For purposes of the exception to the ten (10) year distribution requirement provisions under the Secure Act following the death of a Member, an Eligible Designated Beneficiary includes:

- the Member's Surviving Spouse,
- a beneficiary no more than ten (10) years younger than the deceased Member,
- a beneficiary who meets the definition of disabled or chronically ill under the Internal Revenue Code, and
- a Member's minor child (but only until the child is the age of majority under state law).

## Eligible Same Gender Partner (ESGP)

An individual who, together with a member of the ELCA Traditional Benefits Program, properly completed, signed, and submitted to Portico an eligible affidavit of partnership prior to June 26, 2015.

## Former Sponsored Member

For the purposes of this Plan, an individual who was once a Sponsored Member in the ELCA Retirement Plan who now has a \$0 balance in their ELCA Retirement Plan account.

## Member

Any individual who is entitled to a benefit from this Plan including a Sponsored Member, spouse, ESGP, alternate payee, Surviving Spouse, surviving ESGP, co-annuitant, surviving Child of a sponsored member, or a designated beneficiary.

## On Leave from Call (OLFC)

On Leave from Call is a status available to ELCA Ministers of Word and Sacrament and Ministers of Word and Service who are between calls and, therefore, not sponsored in this Plan by a Participating Employer. Such OLFC requires periodic approval by the bishop, synod, or other authority recognized by Portico. An ELCA Minister of Word and Sacrament or ELCA Minister of Word and Service will not be deemed to have a Separation from Service while OLFC and shall have that time counted as years of service.

## Separation from Service

Separation from Service of a Sponsored Member who is a rostered Member occurs upon retirement, death or if earlier, removal from the roster. For non-rostered Members, Separation from Service occurs upon resignation, discharge, retirement, death, failure to return to active service at the end of an authorized leave of absence, or termination of the arrangement for the performance of compensated service; provided, however, that a Separation from Service does not occur with a transfer between any combination of Eligible Employers. An ELCA Minister of Word and Sacrament or ELCA Minister of Word and Service will not be deemed to have a Separation from Service while On Leave from Call and shall have that time counted as years of service.

## Surviving Spouse

An individual who is legally married to a Sponsored Member on the date of the Sponsored Member's death and who survives the death of the Sponsored Member.

## Valuation Date

Each business day.

## Vested

Having a non-forfeitable right to benefits. All Employer and Member contributions made to the ELCA Retirement Plan are immediately and fully vested.

# Contact Information

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## Portico Benefit Services — Plan Administrator

### Portico Customer Care Center

Call, visit the website, or email with questions about enrollment, eligibility, or coverage, or to report a change of family status, address, or coverage. Access the most up-to-date benefit information and forms on our website.

**Phone:** 800.352.2876 or 612.333.7651  
**Fax:** 612.334.5399  
**Email:** [mail@PorticoBenefits.org](mailto:mail@PorticoBenefits.org)  
**Website:** [myPortico.PorticoBenefits.org](http://myPortico.PorticoBenefits.org)  
**Hours:** 8 a.m. – 6 p.m. Monday – Thursday, 8 a.m. – 5 p.m. Friday (Central)

### Mailing address:

Portico Benefit Services  
7700 France Ave. S., Ste. 350  
Minneapolis, MN 55435-2802

### Privacy Contact

Call or email for information about the Plan's privacy practice, to exercise a Member's rights, or to express any concerns about how the Plan is handling a Member's protected health information.

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## Recordkeeper

The recordkeeper for the ELCA Retirement Plan is Portico Benefit Services, with assistance from Fidelity Workplace Services, LLC (Fidelity). Recordkeeper services include:

- Maintaining Retirement Account records
  - Tracking contribution rates, investment fund elections, and balances
  - Processing transactions such as fund transfers, withdrawals, and/or rollovers
  - Tracking the amount of Employer Contributions paid on the Eligible Employee's behalf
  - Providing account statements
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## Fidelity – Agent

A Member may sign into myPortico to access his/her Retirement Account and retirement planning tools.

**Phone:** 800.352.2876  
**Website:** [myPortico.PorticoBenefits.org](http://myPortico.PorticoBenefits.org)  
**Hours:** 8 a.m. – 6 p.m. Monday – Thursday, 8 a.m. – 5 p.m. Friday (Central)

### Mailing address:

Fidelity  
P.O. Box 770003  
Cincinnati, OH 45277-0065



**Portico Benefit Services**

7700 France Ave. S., Ste. 350

Minneapolis, MN 55435-2802

800.352.2876 / 612.333.7651 / F 612.334.5399

*mail@PorticoBenefits.org / PorticoBenefits.org*