

**EDER RETIREMENT PLAN**  
**ADOPTION AGREEMENT FOR CHURCHES, DISTRICTS AND QCCOS**

WHEREAS, Eder Financial, Inc. ("Eder") established and maintains the Eder Retirement Plan ("Plan") and the related Trust Agreement ("Trust") for the benefit of Employees of any units of the Church of the Brethren including, but not limited to, any local church, college, board, agency, organization, or affiliate related thereto that is participating in the Plan, and other employers that are eligible to participate in a church plan and that are approved by Eder to participate in the Plan; and

WHEREAS, the Plan is intended to be a "retirement income account" under section 403(b)(9) of the Internal Revenue Code of 1986, as amended ("Code"), and a church plan described in Code section 414(e); and

WHEREAS, Eder wishes to extend participation in the Plan to the Adopting Employer designated below ("Adopting Employer"), whereby the Adopting Employer will establish its own separate Code section 403(b)(9) plan, independent from the 403(b)(9) plan of any other Adopting Employer.

NOW THEREFORE, BY THIS AGREEMENT, the Adopting Employer hereby adopts the Plan and the Trust as an Employer thereunder, to provide retirement benefits for its Employees. The Adopting Employer agrees to contribute to the Plan as indicated in this Adoption Agreement on behalf of its participating Employees and to be subject to the terms, provisions and conditions of the Plan, as it may be amended from time to time.

All words and phrases defined in the Plan have the same meaning when used in this Agreement. Any references to a Plan Section will also refer to any amended version of such Section or any successor to such Section.

**Note:** Failure to properly fill out the Adoption Agreement may result in failure of the Employer's plan to satisfy the requirements of Code section 403(b) and loss of favorable tax treatment for the Employer's plan.



#### **BASIC INFORMATION**

A. Name of Adopting Employer: \_\_\_\_\_

B. Address of Adopting Employer:

\_\_\_\_\_  
\_\_\_\_\_

C. Principal Contact at Adopting Employer (This should be the person who will have day-to-day contact with Eder regarding operation of the plan.): \_\_\_\_\_

E-mail Address of Principal Contact: \_\_\_\_\_

Telephone: (\_\_\_\_) \_\_\_\_\_ Facsimile: (\_\_\_\_) \_\_\_\_\_

Nature of Adopting Employer's Business: \_\_\_\_\_

D. Employer Identification Number: \_\_\_\_\_

E. Employer Status. The Employer is:

- An organization that is exempt from tax under Code section 501(c)(3) and is a Church.<sup>1</sup>
- An organization that is exempt from tax under Code section 501(c)(3) and is a Qualified Church-Controlled Organization (QCCO).<sup>2</sup>
- An employer of a chaplain (i.e., a minister described in Code section 414(e)(5)(A)(i)(II)). (*If this option is selected, the elections described herein apply solely to the chaplain.*)
- A self-employed minister (i.e., a minister described in Code section 414(e)(5)(A)(i)(I)).

F. Related Employers: For purposes of eligibility to participate in and contribute to the Plan, "Adopting Employer" means only the entity named above, unless the "Related Employer Addendum" is completed and submitted with this Adoption Agreement.

By signing this Adoption Agreement, the Adopting Employer represents that it (and any Related Employers that participate in the Plan) shares common religious bonds and convictions with the Church of the Brethren and is eligible to participate in a Church Plan (as defined in the Eder Retirement Plan document).



#### EFFECTIVE DATE

- New Plan. This is the Adopting Employer's initial adoption of the Eder Retirement Plan. It is effective \_\_\_\_\_ (cannot be earlier than the first day of the first Plan Year in which the Plan is adopted, provided that Tax-Sheltered Contributions and Roth Contributions are not permitted before the date the Adoption Agreement is signed).
- Amended Adoption Agreement: The Employer previously adopted the Eder Retirement Plan and is now amending its Adoption Agreement. The Effective Date of this amendment is \_\_\_\_\_ (cannot be earlier than the first day of the current Plan Year).  
This Adoption Agreement supersedes all prior supplements and adoption agreements. (Note: If the Adopting Employer is a QCCO and the initial effective date of the Adopting Employer's plan was prior to July 1, 2020, the initial date that the Plan can be considered a pre-approved plan with respect to the Adopting Employer is July 1, 2020.)

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<sup>1</sup> The term "Church" means a church, a convention or association of churches, or an elementary or secondary school which is controlled, operated, or principally supported by a church or by a convention or association of churches.

<sup>2</sup> The term "Qualified Church-Controlled Organization" (QCCO) generally includes any church-controlled, tax-exempt organization described in Code section 501(c)(3), that does not generally offer goods, services, or facilities for sale to the general public or receives less than 25% of its support from government sources or receipts from admissions, sales of merchandise, performance of services, or furnishing of facilities, in related activities or business. If you are not sure if you meet the definition of a QCCO, please consult your legal counsel.



## **IV. ELIGIBILITY FOR TAX-SHELTERED CONTRIBUTIONS AND ROTH CONTRIBUTIONS**

Employees who are nonresident aliens described in Code section 410(b)(3)(C) who receive no earned income from the Adopting Employer which constitutes income from a United States source are not eligible to make Tax-Sheltered Contributions or Roth Contributions to the Plan.

All other Employees are permitted to make Tax-Sheltered Contributions and/or Roth Contributions to the Plan as soon as administratively practicable following commencement of employment, unless one or more of the following boxes is checked and (for the first box) a number of hours per week specified:

- Employees must be regularly scheduled to work at least \_\_\_\_\_ hours per week to be eligible to make Tax-Sheltered Contributions or Roth contributions (*specify number of hours per week*).
- Employees who are eligible to make elective deferrals to another 403(b) plan or 401(k) plan maintained by the Adopting Employer are not eligible to make Tax-Sheltered Contributions and/or Roth Contributions.
- The following Employees are not eligible to make Tax-Sheltered and/or Roth Contributions to the Plan: \_\_\_\_\_

(Note: Any provision added here must be definite and not result in the Plan failing to satisfy the applicable Code section 403(b) requirement.)

All Tax-Sheltered Contributions and Roth Contributions must be made pursuant to a legally binding agreement between the Employee and his/her Adopting Employer which satisfies the requirements of Code section 403(b). Such agreement can be made in such manner as may from time to time be prescribed by Eder, in accordance with the requirements of Sections 4.01 and 4.02 of the Plan document. A salary reduction agreement will apply only with respect to Salary for services rendered to the Adopting Employer by the Employee which is not currently available prior to the effective date of the agreement.

The Adopting Employer is responsible for determining whether an Employee meets the eligibility requirements described above.

- Automatic Enrollment (QCCOs only): The Plan permits an automatic enrollment design for QCCOs. If the Adopting Employer desires to utilize automatic enrollment, please check this box and complete the Automatic Enrollment Addendum at the end of the Adoption Agreement.
- Automatic Escalation (QCCOs only): The Plan permits an automatic escalation design for QCCOs. If the Adopting Employer desires to utilize automatic escalation, please check this box and complete the Automatic Escalation Addendum at the end of the Adoption Agreement.



## **IV. ELIGIBILITY FOR EMPLOYER CONTRIBUTIONS**

This Section IV describes the eligibility requirements for Employer Matching Contributions and Employer Basic Contributions. The Adopting Employer is responsible for determining whether an Employee meets the eligibility requirements described below.

In addition to the eligibility requirements described below, Employees who are nonresident aliens described in Code section 410(b)(3)(C) who receive no earned income from the Adopting Employer which constitutes income from a United States source are not eligible to receive Employer Matching Contributions.

The Plan's rules for crediting service upon reemployment, as described in Section 3.01(d) of the Plan document, are applicable for purposes of determining a rehired Employee's eligibility status.

In addition to the service crediting rules described in Section 3.01(d) of the Plan, for purposes of applying a service requirement related to eligibility for Employer Contributions:

- Service with any church, district, agency, or other organization that is affiliated with the Church of the Brethren will be included.
- Service with any church, district, agency, or other organization that is affiliated with Covenant Brethren Church will be included.
- Service with the following will be included: \_\_\_\_\_

#### **ELIGIBILITY FOR EMPLOYER MATCHING CONTRIBUTIONS**

The Adopting Employer may elect to make Employer Matching Contributions for Employees who meet the following eligibility requirements:

- No Employer Matching Contributions will be made.
- The same eligibility requirements for Tax-Sheltered Contributions and Roth Contributions set out in Part III above will be used for determining eligibility to receive Employer Matching Contributions.
- Employees of the Adopting Employer will be eligible to receive Employer Matching Contributions when the following requirements are met:
  - Minimum age \_\_\_\_\_ (*if no minimum age, write "none"; maximum age is 21*)
  - Length of service:
    - Immediate eligibility – no service required
    - Have completed \_\_\_\_\_ consecutive days of employment, without regard to the number of hours worked during such time period (*maximum number of days is 365*)
  - Be regularly scheduled to work at least \_\_\_\_\_ hours per week

Other: \_\_\_\_\_  
(Note: Employee classifications must be definitely determinable and cannot be subject to the discretion of the Adopting Employer. The Adopting Employer must notify Eder of the amount of the contribution for each classification.)



## ELIGIBILITY FOR EMPLOYER BASIC CONTRIBUTIONS

The Adopting Employer may elect to make Employer Basic Contributions for Employees who meet the following eligibility requirements:

- No Employer Basic Contributions will be made.
- The same eligibility requirements for Tax-Sheltered Contributions and Roth Contributions set out in Part III above will be used for determining eligibility to receive Employer Basic Contributions.
- The same eligibility requirements for Employer Matching Contributions set out in Part IV.A. above will be used for determining eligibility to receive Employer Basic Contributions.
- Employees of the Adopting Employer will be eligible to receive Employer Basic Contributions when the following requirements are met:
  - Minimum age \_\_\_\_\_ (*if no minimum age, write "none"; maximum age is 21*)
  - Length of service:
    - Immediate eligibility – no service required
    - Have completed \_\_\_\_\_ consecutive days of employment, without regard to the number of hours worked during such time period (*maximum number of days is 365*)
  - Be regularly scheduled to work at least \_\_\_\_\_ hours per week
- Other: \_\_\_\_\_  
(Note: Employee classifications must be definitely determinable and cannot be subject to the discretion of the Adopting Employer. The Adopting Employer must notify Eder of the amount of the contribution for each classification.)
- Employees who are nonresident aliens described in Code section 410(b)(3)(C) who receive no earned income from the Adopting Employer which constitutes income from a United States source are not eligible to receive Employer Basic Contributions.



## AMOUNT OF EMPLOYER CONTRIBUTIONS

Please complete the applicable Employer Contribution Addendum.



## **ENTRY DATE FOR COMMENCEMENT OF EMPLOYER CONTRIBUTIONS**

An Employee will become eligible to receive Employer Basic Contributions and Employer Matching Contributions (if applicable for the Adopting Employer) as of:

- The first day on which the Employee meets the eligibility requirements described in Part IV or any requirements otherwise described in the contribution remittance file.
- The first payroll period following the date the Employee meets the eligibility requirements described in Part IV or any requirements otherwise described in the contribution remittance file.
- The first day of the month following the month in which the Employee meets the eligibility requirements described in Part IV or any requirements otherwise described in the contribution remittance file.
- The first day of the calendar quarter following the calendar quarter in which the Employee meets the eligibility requirements described in Part IV or any requirements otherwise described in the contribution remittance file.
- Other: \_\_\_\_\_  
(Note: Any provision added here must be definite and not result in the Plan failing to satisfy the applicable Code section 403(b) requirement.)



## **DEFINITION OF SALARY**



### **BASE DEFINITION OF SALARY**

For purposes of calculating contributions, the Plan definition of Salary applies unless the Adopting Employer elects a different definition as provided below or as otherwise established by the Adopting Employer in a compensation agreement, contract or similar document that establishes the Employee's compensation for purposes of calculating Plan contributions. The Plan document generally provides that Salary means the actual gross taxable compensation reported in Box 1 of the Participant's IRS Form W-2, increased by: (i) in the case of a minister, any housing allowance (including utilities); and (ii) amounts contributed by a Participant under a 403(b) or 401(k) plan and under a cafeteria (125) plan. Salary includes taxable fringe benefits and the cost of group term life insurance in excess of \$50,000. Salary excludes deductible moving expenses and nontaxable fringe benefits, reimbursements and expense allowances. In the case of a Participant who is a minister and who is provided with the free use of a parsonage, housing allowance will be deemed to be the annual fair rental value of the parsonage. In the case of a self-employed minister, Salary will mean such minister's net earnings from self-employment.

Salary will NOT include the following (select any that apply):

- Reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation, and welfare benefits
- Bonuses

Overtime

Other: \_\_\_\_\_

(Note: Any provision added here must be definite and not result in the Plan failing to satisfy the applicable Code section 403(b) requirement.)

Salary will include only that compensation which is actually paid to the Participant during the Plan Year and, with respect to any contribution for which the Participant is not eligible for the entire Plan Year, that portion of the Plan Year during which such Employee is eligible to receive such contribution.

**Note:** It is very important that the Adopting Employer accurately applies the definition of Salary as elected in this Adoption Agreement. Any questions about the definition of Salary should be addressed before this Adoption Agreement is signed.

## **B. AMOUNTS PAID AFTER TERMINATION OF EMPLOYMENT**

Unless otherwise elected below, Salary will include the following, provided that payment of such amounts is made by the later of 2½ months after termination of employment with the Adopting Employer or the end of the calendar year that includes the date of termination of employment with the Adopting Employer and such amounts would have been included in the definition of Salary if paid prior to termination of employment. Salary excludes any other amounts paid after termination of employment (such as severance pay).

- Regular Compensation. A payment of regular compensation for services during the Employee's regular working hours, or compensation for services outside the Employee's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments to the extent such payment would have been made prior to a termination of employment if the Employee had continued in employment with the Employer.
- Payments for Unused Leave. Payment for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued.

Salary will not include the following amounts paid after termination of employment (select any that apply):

Regular Compensation

Payments for Unused Leave

## **VESTING**

Church of the Brethren Churches and Districts: The Adopting Employer is a Church of the Brethren Church or District, the employer of a chaplain or a self-employed minister. All contributions to the Plan, both Employer and Employee, will be 100% vested at all times.

QCCOs and Other Churches: The Adopting Employer is a QCCO or a Church that is not a Church of the Brethren Church. Tax-Sheltered Contributions, Roth Contributions, Employer Safe Harbor Matching Contributions and Employer Safe Harbor Nonelective Contributions will be 100% vested at all times. Amounts in a Participant's Employer Basic Contributions Account and Employer Matching Contributions Account will vest as follows:

Immediate 100% vesting.

20% per year as follows:

<u>Completed Years of Service</u>	<u>Percent Vested</u>
1	20
2	40
3	60
4	80
5	100

The Participant will become 100% vested in the Participant's Employer Basic Contributions Account and Employer Matching Contributions Account after completing \_\_\_\_\_ Years of Service (cannot be more than 3 Years of Service).

Other: \_\_\_\_\_ (The vesting schedule must be at least as rapid at each point in the schedule as a 5-year graded schedule or a 3-year cliff schedule.)

In this Section VIII, the term "Year of Service" means each 365-day period of employment with the Adopting Employer, calculated using the elapsed time method. For purposes of determining Years of Service, an Employee will receive credit for the aggregate period of time worked for the Adopting Employer commencing with the Employee's first day of employment (or reemployment, if applicable) and ending on the date the Employee begins a period of severance which lasts at least 12 consecutive months. In calculating an Employee's aggregate period of service, an Employee who severs from service and is reemployed receives credit for any period of severance of less than 12 consecutive months. A period of severance is a continuous period of time during which the Employee is not employed by the Adopting Employer. The continuous period begins on the date the Employee retires, quits, or is discharged, or if earlier, the 12-month anniversary of the date on which the Employee otherwise was absent from service for any other reason.

The Plan's rules for crediting service upon reemployment, as described in Section 7.04(b) of the Plan document, are applicable for purposes of determining a Participant's vested status.

In addition to the service crediting rules described in Section 7.04 of the Plan, for purposes of determining Years of Service:

- Service with any church, district, agency, or other organization that is affiliated with the Church of the Brethren will be included.
- Service with any church, district, agency, or other organization that is affiliated with Covenant Brethren Church will be included.

Service with the following will be included: \_\_\_\_\_

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#### **PARTICIPANT LOANS**

- The Adopting Employer is a Church of the Brethren Church, a Church of the Brethren camp, or a Covenant Brethren Church. Subject to the restrictions described below and any additional restrictions imposed by Eder, active Participants will be permitted to take loans from their Personal Accounts in accordance with the terms of the Plan. Loans will only be available for costs directly related to the purchase of a principal residence of the Participant (excluding mortgage payments).
- All other Adopting Employers. Subject to any additional restrictions imposed by Eder, active Participants:

will       will not

be permitted to take loans from their Personal Accounts in accordance with the terms of the Plan.

#### **X. FORMER EMPLOYEE CONTRIBUTIONS**

Notwithstanding the foregoing, the Adopting Employer may, but is not required to, elect to make Employer Basic Contributions for a Participant who has terminated employment; provided, however, that no Employer Basic Contributions may be made following the end of the fifth Plan Year which follows a Participant's termination from employment. Any such contributions will be at the time and in the amount determined by the Adopting Employer. The Adopting Employer must complete a Former Employee Contribution Addendum and provide it to Eder, and such Addendum will become a part of this Adoption Agreement.



#### **AUTHORIZED EMPLOYER REPRESENTATIVES**

Until otherwise advised in writing by the Adopting Employer, Eder may accept the instructions of, or documents signed by, any of the following persons on behalf of the Adopting Employer, without the need to check on the authority of the individual to give such instructions or sign such documents:

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

The Adopting Employer is responsible for updating this authorization, as needed.

## . OTHER INVESTMENT ARRANGEMENTS

Unless the box below is checked, the sole investment provider under the Adopting Employer's 403(b) plan is the Eder Retirement Plan. No contributions have been made to any other Investment Arrangement that is treated as part of the same 403(b) plan with the Eder Retirement Plan at any time after December 31, 2004.

The Employer has allowed Employees to make contributions to another Investment Arrangement after December 31, 2004 and has treated that Investment Arrangement as part of the same 403(b) plan with the Eder Retirement Plan. The Adopting Employer must complete the Investment Arrangement Addendum.

## XIII. AMENDMENT AND TERMINATION

Except as otherwise provided in the Plan, including this Adoption Agreement, it is agreed that the Plan will be amended or terminated only by Eder. However, the Adopting Employer reserves the right to change any of the elections provided in this Adoption Agreement by proper resolution and with the written approval of Eder. The Adopting Employer is also permitted to add overriding plan language, if necessary, to satisfy Code Section 415 because of the required aggregation of multiple plans. Such overriding plan language, if applicable, should be reflected on the Code Section 415 Override Addendum. Eder will inform the Adopting Employer of any amendments adopted by Eder and will inform the Adopting Employer of the termination of the Plan.

The Adopting Employer has the right to terminate its participation in the Plan at any time by taking appropriate action through its Board of Directors or Trustees (or similar governing body); provided, however, that it must first provide written notice to Eder and the Adopting Employer's Participants in the Plan of such action. In the event of such termination, the amounts maintained in Accounts of affected Participants shall remain to be used by Eder to pay benefits to or on behalf of the affected Participants in accordance with applicable provisions of the Plan, except as otherwise permitted by Eder in accordance with the terms of the Plan.

## XIV. LIMITATION OF LIABILITY

Neither Eder nor the Adopting Employer will be liable to any person or entity for any of its acts carried out hereunder in good faith and based upon the information available at the time. Only the assets and properties of the Plan will be liable for the debts, obligations, and liabilities under this Plan, and in no event will the Church of the Brethren, or any of its properties or assets, or the properties or assets of either Eder, the Trustee or the Adopting Employer be liable for or subject to any debts or claims of any kind arising under the Plan.

## XV. CONSTRUCTION

This Agreement will be construed in accordance with the laws of the State of Illinois. If any provision of this Agreement is held invalid or unenforceable, the remaining provisions hereof will continue to be fully effective.

## **XVI. DUTIES AND RESPONSIBILITIES**

The Adopting Employer and Eder have the respective duties and responsibilities as set forth in the Administrative Appendix to this Adoption Agreement.

## **XVII. RELIANCE ON IRS OPINION LETTER**

Except to the extent provided in Internal Revenue Service Revenue Procedure 2021-37 ("Rev. Proc. 2021-37"), an Adopting Employer may rely on a currently valid Opinion Letter issued by the Internal Revenue Service as evidence that the Plan satisfies the Code section 403(b) requirements if:

- A. The Adopting Employer's plan is identical to the Plan (which is a nonstandardized section 403(b) plan); and
- B. The Adopting Employer has not amended the Plan other than by choosing options provided in the Adoption Agreement or making amendments that are described in section 9.03 of Rev. Proc. 2021-37 (relating to employer amendments that will not affect reliance). The Adopting Employer may not rely on the Opinion Letter in certain other circumstances, which are specified in the Opinion Letter issued with respect to the Plan, or in Rev. Proc. 2021-37.

For an Adopting Employer that is a QCCO, a plan adopted by such Employer can only be considered a pre-approved plan in accordance with Section 25 of Revenue Procedure 2021-37 effective no earlier than July 1, 2020.

This Adoption Agreement (01) may only be used in conjunction with the Eder Retirement Plan document.

[Signatures on following page.]

**IN WITNESS WHEREOF**, the Adopting Employer hereby agrees to the provisions of the Plan, including the stipulations set out in this Adoption Agreement, and has caused this Agreement to be effective as of the date first above written. An authorized representative of Eder has executed this document on behalf of Eder.

 **ADOPTING EMPLOYER**

[ \_\_\_\_\_ ]

Signed by: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date signed: \_\_\_\_\_

**ACCEPTED ON BEHALF OF EDER**

Signed by: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date signed: \_\_\_\_\_

**RETURNING THE ADOPTION AGREEMENT**

If you have any questions about the Plan or this Adoption Agreement, please contact Eder at the address or telephone number below. The Adopting Employer should retain a copy of this Adoption Agreement in its file, along with a copy of the Eder Retirement Plan document. In addition, please send a copy of the signed Adoption Agreement to Eder via one of the addresses below:

**U.S. Mail**

Eder Financial  
Attn: Retirement Benefits Director  
1505 Dundee Avenue  
Elgin, IL 60120  
847-622-3383 (telephone)

**Email**

retirement@eder.org  
Subject: Adoption Agreement

**Employer Contribution Addendum**  
**Church of the Brethren Churches, Districts and Camps**

The Employer Matching Contributions and Employer Basic Contributions described in this Addendum will only be made on behalf of Participants who meet the eligibility requirements described in Part IV above. The Adopting Employer is responsible for determining whether an Employee meets the applicable eligibility requirements.

### **EMPLOYER MATCHING CONTRIBUTIONS**



#### **Amount of Contribution**

- Recommendation:* If an eligible Participant makes a Tax-Sheltered or Roth Contribution of at least **4%** of Salary for the applicable contribution period, the Adopting Employer will make an Employer Matching Contribution of **11%** of the eligible Participant's Salary for the applicable contribution period.
- If an eligible Participant makes a Tax-Sheltered or Roth Contribution of at least \_\_\_\_\_% of Salary for the applicable contribution period, the Adopting Employer will make an Employer Matching Contribution of \_\_\_\_\_% of the eligible Participant's Salary for the applicable contribution period.
- The Adopting Employer will contribute an Employer Matching Contribution to the Plan equal to \_\_\_\_\_% of each eligible Participant's Tax-Sheltered and/or Roth Contributions not to exceed \_\_\_\_\_% of the Participant's Salary for the applicable contribution period.
- The Adopting Employer will contribute an Employer Matching Contribution to the Plan equal to \_\_\_\_\_% of each eligible Participant's Tax-Sheltered and/or Roth Contributions with the total Employer Matching Contribution not to exceed \$\_\_\_\_\_ for the applicable contribution period.
- An amount, if any, to be determined by the Adopting Employer at its discretion. A discretionary Employer Matching Contribution will be allocated to each Participant as a uniform rate established by the Adopting Employer, for example, 100% of deferrals up to a uniform deferral percentage established by the Adopting Employer.
- Other formula (*describe*): \_\_\_\_\_  
**(Note:** The formula must be definitely determinable. If contributions are based on classifications of Employees, the Adopting Employer must notify Eder of the amount of the contribution for each classification.)



#### **Contribution Period**

Unless otherwise elected below, the "Contribution Period" for purposes of calculating the amount of Employer Matching Contributions is the payroll period (which means that Employer Matching Contributions will be based on payroll period Salary and a true-up contribution will not be required).

- Instead of payroll period, the Contribution Period for Employer Matching Contributions is:
  - Calendar month
  - Plan Year quarter
  - Plan Year

If calendar month, Plan Year quarter, or Plan Year is selected above, the Adopting Employer must calculate the Employer Matching Contribution required with respect to the full Contribution Period, taking into account the eligible Participant's Tax-Sheltered and/or Roth Contributions and Salary for the full Contribution Period, and contribute any additional Employer Matching Contributions necessary to "true up" the Employer Matching Contribution so that the full Employer Matching Contribution is made for the Contribution Period.

## EMPLOYER BASIC CONTRIBUTIONS

**Note:** Employer Basic Contributions are separate from Employer Pastor Housing Fund Contributions, which are addressed below.

- Employer Basic Contribution – Fixed Percentage. The Adopting Employer will contribute an Employer Basic Contribution to the Plan in the amount of \_\_\_\_\_ % of each eligible Participant's Salary for the applicable payroll period.
- Employer Basic Contribution – Fixed Dollar Amount. The Adopting Employer will contribute an Employer Basic Contribution to the Plan in the amount of \$\_\_\_\_\_ for each eligible Participant for the applicable payroll period.
- Employer Basic Contribution – No Fixed Contribution; Discretionary Only. The Adopting Employer elects not to contribute a fixed Employer Basic Contribution. The Adopting Employer may, but is not required to, make discretionary Employer Basic Contributions at the time and in the amount determined by the Adopting Employer. Such contributions will be allocated:
  - As a uniform percentage of the Participant's Salary.
  - Other (*describe*): \_\_\_\_\_
  - Other formula (*describe*): \_\_\_\_\_

**Note:** Any formula described in an "Other" blank above must be definitely determinable. If contributions are based on classifications of Employees, the Adopting Employer must notify Eder of the amount of the contribution for each classification.

**Note:** In addition to any Employer Basic Contributions described above, the Adopting Employer may, but is not required to, make discretionary Employer Basic Contributions at the time and in the amount determined and documented by the Adopting Employer.



## **EMPLOYER PASTOR HOUSING FUND CONTRIBUTIONS**

The Adopting Employer may, but is not required to, contribute an Employer Pastor Housing Fund Contribution to the Plan on behalf of a pastor for such Adopting Employer in such fixed amount or percentage of Salary established by the Adopting Employer and reflected in the then-current compensation agreement between the Adopting Employer and the pastor or such other document defining the terms of the pastor's compensation from the Adopting Employer. The terms of such agreement or other document constitute a part of this Adoption Agreement and are incorporated by reference.

The Adopting Employer may also make discretionary Employer Pastor Housing Fund Contributions at any time, in addition to those provided for in the applicable compensation agreement or other document (if any).

The Adopting Employer may, but is not required to, elect to make Employer Pastor Housing Fund Contributions for a pastor who has terminated employment; provided, however, that no Employer Pastor Housing Fund Contributions may be made following the end of the fifth Plan Year which follows a Participant's termination from employment. Any such contributions will be at the time and in the amount determined by the Adopting Employer. The Adopting Employer must either (i) complete a Former Employee Contribution Addendum and provide it to Eder, and such Addendum will become a part of this Adoption Agreement; or (ii) reflect the terms of such contribution in the then-current compensation agreement between the Adopting Employer and the pastor or such other document defining the terms of the pastor's compensation from the Adopting Employer; the terms of such agreement or other document constitute a part of this Adoption Agreement and are incorporated by reference.

Employer Pastor Housing Fund Contributions will be 100% vested at all times.



## **CHURCH WORKERS ASSISTANCE PLAN CONTRIBUTIONS**

The Church Workers' Assistance Plan is the fund established by the 1990 Annual Conference, originally named the Retired Church Workers Fund and amended by the 1998 Annual Conference, for the benefit of individuals (and the surviving spouse of such individuals) with unusual financial need who have served the Church of the Brethren. This fund is administered by Eder under guidelines it establishes. Contributions to the Church Workers' Assistance Plan are not contributions to the Eder Retirement Plan but will be collected at the same time and at the same frequency as Plan contributions.

**The Adopting Employer is expected to contribute to the Church Workers' Assistance Plan an amount equal to 1% of Salary of each employee of the Adopting Employer who works at least half-time (without regard to whether such employee makes or receives contributions to the Plan).**

If the expected Church Workers' Assistance Plan contribution is changed by the Annual Conference, this Addendum will be deemed to be amended accordingly without the necessity of a formal amendment and the Adopting Employer will be required to contribute at least the revised amount.



**EDER RETIREMENT PLAN**  
**ADMINISTRATIVE APPENDIX**

This Appendix lists the persons or entities to whom certain administrative functions have been allocated relating to the Employer's adoption of the Eder Retirement Plan ("Plan"). The identified persons or entities listed have been allocated the specific functions as set forth below. Capitalized terms in this Appendix will be defined in accordance with the terms of the Plan document.

### **DUTIES AND RESPONSIBILITIES OF THE ADOPTING EMPLOYER**

The following administrative functions have been allocated to Adopting Employer:

1. Determining whether an Employee is eligible to participate in the Plan.
2. Providing notice to eligible Employees of their right to defer within a reasonable period of time after commencement of employment, allowing eligible Employees to make an election within a reasonable period of time after such notice is provided, and implementing such election as soon as administratively practicable.
3. Timely providing Plan enrollment information to eligible Employees and/or including the necessary enrollment information in the contribution remittance file.
4. Providing to Participants an annual notice regarding required by Section 6.01 of the Plan document relating to application of the Code section 415 annual additions limit when a Participant is in control of another employer.
5. Notifying Eder (or its designee) of a termination of employment, the granting and termination of leaves of absence, the commencement of and return to work after periods of Disability, and other facts or events which may be relevant to the operation of the Plan.
6. Promptly distributing to Participants any notice or other communication from Eder, to the extent such notice or communication pertains to the Plan or its operation and Eder (or its designee) indicates the communication is for their attention.
7. If contributions are based on classifications of Employees, notify Eder (or its designee) of the amount of the contribution for each classification.
8. Forwarding all contributions to the Plan as follows:
  - Tax-Sheltered and Roth Contributions and Loan Repayments – no later than the last day of the month following the month in which the deferral was made.
  - Employer Contributions – within thirty (30) days following the end of each calendar quarter or at such other time as Eder may permit.
  - All other Contributions – within a period that is not longer than reasonable for the proper administration of the Plan.

9. Providing salary information to Eder or its designee by including salary data for each Participant in the contribution remittance file.
10. Determining the Participant's Includible Compensation for purposes of monitoring the maximum contributions allowable under the Plan, which is different from the definition of Salary used to calculate Plan contributions. Includible Compensation is used to apply certain IRS rules regarding contribution limits. Note: Includible compensation is generally W-2 compensation, but includes pre-tax deferrals to the 403(b) plan, cafeteria plan, and transportation fringe benefit plan and excludes certain non-taxable amounts such as clergy housing allowance. Special rules exist for determining the Includible Compensation of Participants who are part-time Employees. Please contact Eder if you have questions about the definition of Includible Compensation.
11. Providing Eder (or its designee) with all information necessary to perform contribution limits testing under Code Sections 402(g), 414(v) and 415(c). (Note: Eder, or its designee, will assist the Employer in performing limits testing but will not be responsible for monitoring limits to the extent that the Employer utilizes other Investment Arrangements, maintains other 403(b) plans or provides Eder (or its designee) with incomplete or inaccurate information.)
12. To the extent that the Adopting Employer elects to subject Employer Contributions to a vesting schedule, providing Eder (or its designee) with the information necessary to determine when an Employee has vested and when a forfeiture has occurred.
13. If the Adopting Employer elects to utilize an Eligible Automatic Contribution Arrangement or to utilize automatic escalation, providing the annual notice of such arrangement to Employees in accordance with the requirements of Sections 4.01(d) or 4.04(f) of the Plan document, as applicable.
14. Determining the Adopting Employer's status, including whether it is a Code section 501(c)(3) organization, whether it is a Church or QCCO and whether it is a member of a controlled group described in Code section 414(c)(2).
15. Providing Eder (or its designee) with all information required to process participant loan applications and service ongoing participant loans, including but not limited to a certification that an Employee is not participating in any other 403(b) arrangements through the Adopting Employer.
16. Determining whether a Participant's age 50 catch-up contributions are required to be made as Roth Contributions and taking such actions as are necessary to confirm that such contributions are processed as Roth Contributions.

#### **DUTIES AND RESPONSIBILITIES OF EDER**

Eder has been allocated functions relating to assets held in the Plan. The following administrative functions have been allocated to Eder (or its designee):

1. Processing requests for benefits under the Plan.
2. Assisting the Adopting Employer in performing contribution limits testing under Code sections 402(g), 414(v) and 415(c), to the extent Eder receives complete and accurate information. (Note: Eder, or its designee, will assist the Employer in performing limits testing but will not be responsible for

monitoring limits to the extent that the Employer utilizes other Investment Arrangements, maintains other 403(b) plans or provides Eder (or its designee) with incomplete or inaccurate information.)

3. Providing the notice required under Code section 402(f) to Participants who are eligible to receive distributions from the Plan.
4. Administering hardship distributions from the Plan in accordance with applicable rules and regulations.
5. Processing corrective distributions of excess deferral contributions and tracking and reporting and/or distributing excess 415(c) contributions in accordance with applicable IRS regulations, but only to the extent such excess deferrals or excess contributions have been identified by the Adopting Employer or a designated representative of the Adopting Employer.
6. Withholding and reporting any federal and state taxes on any distributions made directly to any Participant and/or Beneficiary, as appropriate.
7. Providing quarterly statements to Participants summarizing the activity of the Participant's Account during each calendar quarter.
8. Providing notification to Participants who have reached the applicable age for required minimum distribution purposes that they may be required to take required minimum distributions and calculate and distribute such amounts as may be required under the Plan and the Code.
9. Selecting and monitoring the performance of the investment funds available for investment direction by Participants in the Plan.
10. Determining that any transfers and rollovers comply with applicable requirements and limitations.
11. Determining the status and acceptability of domestic relations orders or qualified domestic relations orders to the extent that such orders apply to assets held in the Plan.
12. Determining whether a participant is Disabled.
13. Processing participant loan applications and servicing ongoing loans, including processing of defaulted loans.

 **Former Employee Contribution Addendum**  
**Employer Pastor Housing Fund Contributions**

This Former Employee Contribution Addendum for Employer Pastor Housing Fund Contributions may be executed separately from the Adopting Employer's Adoption Agreement and will become a part of such Adoption Agreement.

The Adopting Employer may elect to make Employer Pastor Housing Fund Contributions on behalf of former pastor Employees up through the end of the fifth year following the Employee's termination of employment. This election may be made even if the Adopting Employer does not make Employer Pastor Housing Fund Contributions for current pastor Employees.

- The Adopting Employer will make Employer Pastor Housing Fund Contributions to the Plan to former pastor Employees in accordance with the following provisions:
  1. Amount of Employer Contributions. The Adopting Employer will make Employer Pastor Housing Fund Contributions for former pastor Employees as follows:
    - The Adopting Employer will make contributions in an amount to be determined each year.
    - Fixed Percentage. The Adopting Employer will make contributions each Plan Year in an amount equal to \_\_\_\_\_ % of each Participant's Salary in the final year of employment.
    - Fixed Dollar Amount. The Adopting Employer will make Employer Pastor Housing Fund Contributions each Plan Year in an amount equal to \$\_\_\_\_\_.
  2. Duration. The Adopting Employer will make Employer Pastor Housing Fund Contributions in the amount elected in Section 1 above for \_\_\_\_\_ years following the year in which the Employee has termination of employment. (*Fill in a number of years that is no more than 5.*)
  3. Eligibility for Employer Pastor Housing Fund Contributions. The following former pastor Employees will be eligible for Employer Pastor Housing Fund Contributions: \_\_\_\_\_

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**Note:** Former Employee classifications must be definitely determinable and cannot be subject to the discretion of the Adopting Employer. The Adopting Employer must notify Eder of the amount of the contribution for each classification.

The Adopting Employer acknowledges that contributions for Participants who have terminated employment are subject to the Code section 415 limitations on the amount of such contributions, as applicable to former Employee contributions. To comply with such limitations, contributions must be determined on a monthly basis and such monthly amount may not exceed 1/12 of the Participant's Includible Compensation during the Participant's most recent year of service (ending with the month prior to the Participant's termination of employment). Contributions cannot be made for periods after the Participant's death. The Adopting Employer is responsible for determining whether an individual meets the requirements specified above and for compliance with the limitations on these contributions.

**IN WITNESS WHEREOF**, the Adopting Employer hereby agrees to the provisions of this Former Employee Contribution Addendum, which will become a part of the Adopting Employer's Adoption Agreement, and

has caused this Addendum to be effective as of the date first above written. An authorized representative of Eder has executed this document on behalf of Eder.

**ADOPTING EMPLOYER**

[\_\_\_\_\_]

Signed by: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date signed: \_\_\_\_\_

**ACCEPTED ON BEHALF OF EDER**

Signed by: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date signed: \_\_\_\_\_