



The Concordia Retirement Plan

Features of the Traditional and Account Options

WHICH OPTION IS RIGHT FOR YOU?

The Concordia Retirement Plan pension is comprised of two benefit options, the Traditional Option and the Account Option. The Traditional Option is designed to provide benefits to workers who will spend a majority of their careers (or the latter part of their careers) with LCMS employers, while the Account Option is designed to provide retirement benefits for workers whose career may span a shorter period of time. As the employer you can elect to offer only the Traditional Option or both options. When deciding if offering both options is right for you, ask yourself:

- Do you employ both rostered workers (commissioned or ordained ministers of religion listed on the official roster of The Lutheran Church–Missouri Synod) and non-rostered workers (lay workers)?
- Do some of your non-rostered workers tend to have a higher turnover rate?
- Do you need more options in the CRP to meet the retirement needs of your full-time, short-term workers?
- Do you need flexibility regarding the cost and benefits for your non-rostered workers?

If these criteria apply to you, the Account Option may help you provide your workers with a more competitive, comprehensive retirement benefits package. Contact your Account Manager at 888-927-7526 for more information.

Feature	The Traditional Option	The Account Option
Worker Eligibility <i>Effective for workers hired on or after July 1, 2022, CRP eligibility is defined as a worker who is age 21 or older, who is hired to work more than 20 hours per week and more than five consecutive months.</i>	All eligible workers, regardless of roster status, are eligible to be enrolled. Workers who are enrolled in the CRP at the time their employer elects the Account Option will remain in the Traditional Option.	Any non-rostered eligible workers who, after the effective date of the employer’s Account Option election, are hired, rehired, transferred from another LCMS employer, or newly eligible for CRP participation are eligible to be enrolled. Employers may elect to enroll all non-rostered workers or designate non-rostered workers into two classifications, Salaried and Hourly, or Staff and Faculty, and determine which of these categories is to be enrolled in the Account Option.
Benefits Included	The Primary Retirement Benefit	The Retirement Cash Account
Eligibility Waiting Period. <i>The EWP does not apply to the other Concordia Plans.</i>	Not applicable.	A one-year Eligibility Waiting Period can be elected. <ul style="list-style-type: none"> • A worker can satisfy no more than 12 months of an EWP under the CRP and may have satisfied all or part of the EWP at a prior LCMS employer. • Workers with more than one year of creditable service in the CRP can not be subject to the EWP. • The waiting period begins when the worker is enrolled in the CRP and after any applicable probationary period. • All the necessary paperwork must be received by Concordia Plans prior to implementing an EWP. • No retroactive EWP can be applied.
Vesting Requirement	5 years	3 years
Distribution Options.	Single Life Annuity, Joint and Survivor Annuities, and Ten-Year Certain and Life Annuity.	Single Life Annuity, Joint and Survivor Annuities, Ten-Year Certain and Life Annuity, and Lump-sum Payout.

WORKER BENEFITS UNDER THE ACCOUNT OPTION

The Account Option offers the **Retirement Cash Account**. With the Retirement Cash Account, the worker's cash balance account grows each year through the addition of compensation credits and interest credits. The worker will become 100% vested in his/her Retirement Cash Account after completing three years of CRP Creditable Service.

- A **compensation credit**, the specified compensation credit percentage based on the worker's years of creditable service *multiplied* by the reported annual compensation* in effect January 1 of that year, is added to the worker's account at the end of each year the worker is eligible and enrolled in the Retirement Cash Account. Credits for partial years of employment will be prorated.
- An **interest credit** is added to the account at the end of the year. The interest credit is determined by multiplying the account balance at the beginning of that year by the 30-year U.S. Treasury rate from September of the prior calendar year, or the minimum interest rate of three percent, whichever is greater.

Account Option—Retirement Cash Account	
Worker Status	Compensation Credit Percent
During Eligibility Waiting Period	0%
After completion of EWP through five years of service	2.5%
More than five years of service	5.5%

During the Eligibility Waiting Period, workers will not be eligible to receive compensation credits or interest credits through the Retirement Cash Account; however, that period will be counted for satisfying vesting requirements of the CRP.

**Annual compensation is the compensation figure reported by the employer as being in effect each January 1, on the Annual Compensation Report. If the worker has a change in salary due to a change in employment, hours worked or position duties, and that change is promptly reported to Concordia Plans, the new compensation figure will be used to calculate the compensation credit.*

WORKER BENEFITS UNDER THE TRADITIONAL OPTION

Benefit is based on Final Average Monthly Compensation.

- FAMC = highest 60 consecutive months out of last 20 years.
- Based on your years of Creditable Service (CS) earned under the plan.
- Provides roughly 40%-45% income replacement at normal retirement age (for 40-year career).
1.1% x FAMC up to Integration Level x CS.**
- For salary in excess of Integration Level add:
1.6% x FAMC in excess of Integration Level x CS.

***The 2022 Integration Level is \$76,700.*

ELECTING THE ACCOUNT OPTION

Use CRP Option Election Form (11374) to elect the Account Option, designate a worker classification and elect an Eligibility Waiting Period. For a form, please contact your Account Manager at 888-927-7526.



If you have elected the Concordia Retirement Savings Plan, any worker enrolled in the Concordia Retirement Plan (regardless of Option) has the opportunity to participate in the CRSP 403(b) and is eligible to earn any CRSP Employer Contributions (if applicable).