

Concordia Retirement Plan

Plan Document for Retirement Income and Post-Retirement Death Benefits

January 1, 2021 Restatement
Incorporating the following amendments:

First Amendment	Effective 3/1/2022 and 7/1/2022
Second Amendment	Effective 7/1/2022
Third Amendment	Effective 12/1/2022

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CONCORDIA RETIREMENT PLAN
For Workers of
The Lutheran Church—Missouri Synod
Its Member Congregations, Controlled Organizations
and Affiliated Agencies

The Lutheran Church—Missouri Synod (“Synod”) has established a retirement plan, designated as the “Concordia Retirement Plan,” for the Workers of the Synod and its Controlled Organizations and has made the provisions of said plan available to its Member Congregations and to other Affiliated Agencies hereinafter described. The establishment of the Plan was approved by resolutions adopted by the 1962 convention of the Synod under which the Board of Directors of the Synod was directed and empowered to adopt a specific plan. Accordingly, the Concordia Retirement Plan was duly adopted by the Board of Directors of the Synod on July 10, 1964.

PURPOSE OF THE PLAN

The purpose of the Plan is to provide, by means of regular contributions to a retirement fund, an income for Members after retirement and income continuation for individuals specified herein after the Retired Member’s death.

SECTION I

DEFINITIONS

For the purposes of the Plan, the following words and phrases shall have the respective meanings Herein provided unless different meanings are plainly indicated by the context, and when the defined meaning is intended, the term is capitalized. Certain other terms that are used primarily within certain Sections of the Plan are defined in those Sections.

1.1. “Actuarial Equivalent” shall mean of equal actuarial value on the basis of assumptions and factors described in Appendix A Herein.

1.2. “Affiliated Agency” shall mean any of the following:

- a) an organization controlled, within the meaning of section 414(e) of the Code, by Member Congregations,
- b) any Lutheran organization recognized by the Synod, including auxiliaries and recognized service organizations, and
- c) any other organization associated with the Synod, or with one or more Member Congregations, within the meaning of section 414(e)(3)(D) of the Code.

1.3. “Board of Trustees” shall mean the board appointed to administer the Plan, as provided in SECTION XX.

1.4. “Child” shall mean a Member’s biological child, legally adopted child, stepchild and foster child, but does not include a Child who has been adopted by someone other than the Member or the Member’s Spouse or Qualified Relative. The term “foster child” shall mean (a) a child who has been

placed in a Member's home for adoption by a recognized adoption agency or a court, and (b) a child who is placed with the Member by judgment, decree, or other order of any court of competent jurisdiction.

1.5. "Code" shall mean the U.S. Internal Revenue Code of 1986, and any successor or replacement thereof. All citations in this Plan to sections of the Code are to such sections as they may from time to time be amended or renumbered.

1.6. "Compensation" of a Member, for all purposes except within the terms "Covered Compensation" and "Limitation Compensation," and for Sections XXIII and XXIV, shall mean the basic wage or salary paid by the Employer for personal services rendered, plus

- a) cash utility allowance, if any,
- b) cash housing allowance, if any, and
- c) the monetary value of housing furnished by the Employer as the Worker's primary residence, which shall be deemed to be twenty-five percent (25%) of the basic wage or salary,

but shall not include any bonuses, car allowances, cash allowances (except as specifically set forth above), or other forms of remuneration. With the approval of Concordia Plan Services, an Employer may, for all purposes of the Plan, with respect to Members residing outside the nation in which such Employer maintains its principal office, report the Compensation of such Member as being the amount which such Member would receive if employed by such Employer in the nation in which the Employer maintains its principal place of business in the same capacity in which the Member is so employed outside such nation.

Notwithstanding any other provision of the Plan to the contrary and for all purposes of the Plan, Compensation shall not exceed the amount permitted under section 401(a)(17) of the Code.

For years beginning on or after January 1, 1989, and before January 1, 1994, the annual Compensation of each Member taken into account for determining all benefits provided under the Plan for any Plan Year shall not exceed two hundred thousand dollars (\$200,000). This limitation shall be adjusted by the Secretary of the Treasury at the same time and in the same manner as under section 415(d) of the Code, except that the dollar increase in effect on January 1 of any calendar year is effective for Plan Years beginning with or within such calendar year and the first adjustment to the two hundred thousand dollars (\$200,000) limitation is effective on January 1, 1990.

For years beginning on or after January 1, 1994, the annual Compensation of each Member taken into account for determining all benefits provided under the Plan for any determination period shall not exceed one hundred fifty thousand dollars (\$150,000), as adjusted for the cost-of-living in accordance with section 401(a)(17)(B) of the Code. For Plan Years beginning on or after January 1, 2002, the annual Compensation of each Member taken into account in determining all benefits provided under the Plan for any determination period shall not exceed two hundred thousand dollars (\$200,000), as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to any determination period beginning with or within such calendar year.

If a determination period consists of fewer than twelve (12) months, the annual Compensation limit is an amount equal to the otherwise applicable annual Compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is twelve (12).

If Compensation for any prior determination period is taken into account in determining a Member's benefits for the current Plan Year, the Compensation for such prior determination period is subject to the applicable annual Compensation limit in effect for that prior period. For this purpose, in determining benefits in Plan Years beginning on or after January 1, 1989, and before January 1, 1994, the annual Compensation limit in effect for determination periods beginning before January 1, 1989 is two hundred thousand dollars (\$200,000), as adjusted for the cost-of-living, as specified above. In determining benefits in Plan Years beginning on or after January 1, 1994, and before January 1, 2002, the annual Compensation limit in effect for determination periods beginning before January 1, 2002 is one hundred fifty thousand dollars (\$150,000), as adjusted for the cost-of-living, as specified above. In determining benefits in Plan Years beginning on or after January 1, 2002, the annual Compensation limit in effect for determination periods beginning before that date is two hundred thousand dollars (\$200,000), as adjusted for the cost-of-living, as specified above.

1.7. "Concordia Disability and Survivor Plan" shall mean the Concordia Disability and Survivor Plan as the same may be amended from time to time.

1.8. "Concordia Health Plan" shall mean the Concordia Health Plan, as the same may be amended from time to time.

1.9. "Concordia Plan Services" shall mean a Missouri nonprofit corporation established by the Synod to administer the retirement, health and other employee benefit plans established by the Synod, as agreed upon by Concordia Plan Services and the Board of Trustees.

1.10. "Concordia Retirement Savings Plan" or "CRSP" shall mean the Concordia Retirement Savings Plan, as the same may be amended from time to time.

1.11. "Controlled Organization" shall mean an organization, agency, or subdivision of the Synod (whether or not separately incorporated) which is under the control and supervision of the Synod, including, but not limited to, the districts of the Synod, the seminaries and colleges operated by the Synod, Concordia Publishing House, The Lutheran Church—Missouri Synod Foundation, Lutheran Church Extension Fund—Missouri Synod, Concordia Plan Services, and the Concordia Historical Institute. Determination of the status of any organization as a "controlled organization" shall be made by the Board of Directors of the Synod.

1.12. "Covered Compensation" shall mean, with respect to a particular Plan Year, the average of the Social Security wages bases in effect for each year during the thirty-five (35) year period ending with the year preceding such current Plan Year. However, for Plan Years after 1990, the Covered Compensation with respect to a particular Plan Year shall in no event exceed the Covered Compensation in the prior Plan Year by more than five percent (5%). For Members who attained their Social Security Retirement Age prior to the current Plan Year, Covered Compensation shall be the Covered Compensation for the Plan Year in which such Member attained Social Security Retirement Age. Covered Compensation shall be stated in terms of a monthly amount determined by rounding the above amounts to the next lowest one hundred dollars (\$100) and then dividing by twelve (12).

1.13. "Creditable Service" of a Member shall mean the aggregate of years and twelfths of years of continuous membership during which required contributions are made or waived with respect to the Member. For an individual who becomes a Member on or after July 1, 2022, no service prior to age 21 shall be considered Creditable Service under this Plan for any purpose.

1.14. "CRSP Member" shall mean a person participating in the CRSP.

1.15. "Dependent" shall have the meaning set forth in Subsection 3.1.

1.16. “Disability” or “Disabled” shall mean, when used with respect to a Member, that under the Concordia Disability and Survivor Plan the Member is considered to be disabled and disability benefits are payable to the Member.

When used with respect to a Member’s Dependent Child, “Disability” or “Disabled” shall mean that such Child is unable to engage in any substantial gainful activity reasonably commensurate with such Child’s training, education, or experience due to a medically determinable physical or mental condition.

1.17. “Early Retirement” shall mean the election of and application for benefits provided Herein prior to the Member’s Normal Retirement Date by a Member who has attained age fifty-five (55) and has accumulated at least five (5) years of Creditable Service.

1.18. “Early Retirement Date” shall have the meaning set forth in Subsection 9.1.

1.19. “Effective Date of the Plan” shall mean:

- a) in the case of the Synod and its Controlled Organizations, January 1, 1965,
- b) in the case of a Member Congregation, the first day of any calendar month as the congregation may specify in adopting the Plan subject to compliance with Subsection 19.1, but not prior to January 1, 1965, or
- c) in the case of an Affiliated Agency, the first day of any calendar month as the agency may specify in adopting the Plan subject to compliance with Subsection 19.2, but not prior to January 1, 1965.

1.20. “Eligibility Waiting Period” shall mean a one (1) year waiting period that may be elected by an Employer in accordance with Subsection 2.7 and (a) that is concurrent with a Member's first twelve (12) months of Creditable Service; (b) that must be completed before a Retirement Cash Account may be established for a Member; and (c) during which contributions by the Employer shall be waived for that Member. For an individual who becomes a Member on or after July 1, 2022, the Eligibility Waiting Period shall not commence prior to the individual 's attainment of age 21.

1.21. “Employer” or “Employers” shall mean any of the following:

- a) the Synod,
- b) a Controlled Organization,
- c) a Member Congregation that has adopted the Plan,
- d) an Affiliated Agency that has adopted the Plan, or
- e) a Rostered minister described in section 414(e)(5)(A)(i) of the Code and who is not employed by an Employer described above or by an organization that has satisfied the requirements of Subsection 2.6, but only if such minister’s participation as an Employer is approved by Concordia Plan Services. Such individual shall be treated as his or her own employer or as employed by the minister’s employer that is an organization described in section 501(c)(3) of the Code and exempt from tax under Section 501(a) of the Code.

1.22. “Final Average Monthly Compensation” of a Member shall mean one-sixtieth (1/60) of the largest aggregate Compensation on which contributions are paid for a period of sixty (60) consecutive calendar months occurring within the last twenty (20) calendar years of the Member’s Creditable Service, or, if the Member has fewer than sixty (60) consecutive calendar months of Creditable Service, it shall mean the average monthly Compensation over the Member’s entire period of Creditable Service.

1.23. “Herein”, “Hereunder”, and other compounds of the word “here” shall refer to the entire Plan unless the context in which used shall indicate that the reference is restricted to a particular Section or Subsection of the Plan.

1.24. “Inactive Member” shall mean a former Worker whose employment has terminated and who may be eligible to receive benefits Hereunder at a future date.

1.25. “Late Retirement Date” shall have the meaning set forth in Subsection 10.1.

1.26. “Limitation Compensation” shall mean:

- a) The Worker’s wages, salaries, fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer, to the extent that the amounts are includible in gross income, and excluding the following:
 - i) Employer contributions (other than elective contributions described in section 402(e)(3), section 408(k)(6), section 408(p)(2)(A)(i), or section 457(b) of the Code) made by the Employer to a plan of deferred compensation (including a simplified employee pension described in section 408(k) of the Code or a simple retirement account described in section 408(p) of the Code, and whether or not qualified) to the extent that the contributions are not includible in the gross income of the Worker for the taxable year in which contributed, and any distributions (whether or not includible in gross income when distributed) from a plan of deferred compensation (whether or not qualified);
 - ii) Other amounts that receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includible in the gross income of the Worker and are not salary reduction amounts that are described in section 125 of the Code); and
 - iii) Other items of remuneration that are similar to any of the items listed in i) and ii) above.

Notwithstanding any other provision of the Plan to the contrary and for all purposes of the Plan, Limitation Compensation shall not exceed the amount permitted under section 401(a)(17) of the Code.

Except as provided Herein, for Limitation Years beginning after December 31, 1991, Limitation Compensation for a Limitation Year is the Limitation Compensation actually paid or made available during such Limitation Year.

For Limitation Years beginning on or after July 1, 2007, Limitation Compensation for a Limitation Year shall also include Limitation Compensation paid by the later of two and one-half (2½) months after a Worker’s severance from employment with the Employer or the end of the Limitation Year that includes the date of the Worker’s severance from employment with the Employer, if the payment is regular pay

for services during the Worker's regular working hours, or pay for services outside the Worker's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments, and absent a severance from employment, the payments would have been paid to the Worker while the Worker continued in employment with the Employer.

Any payments not described above shall not be considered Limitation Compensation if paid after severance from employment, even if they are paid by the later of two and one-half (2½) months after the date of severance from employment or the end of Limitation Year that includes the date of severance from employment.

Back pay within the meaning of section 1.415(c)-2(g)(8) of the Treasury Regulations, shall be treated as Limitation Compensation for the Limitation Year to which the back pay relates, to the extent the back pay represents wages and pay that would otherwise be included under this definition.

For Limitation Years beginning after December 31, 1997, Limitation Compensation paid or made available during such Limitation Year shall include amounts that would otherwise be included in Limitation Compensation but for an election under sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b) of the Code.

For Limitation Years beginning after December 31, 2000, Limitation Compensation shall also include any elective amounts that are not includible in the gross income of the Worker by reason of Section 132(f)(4).

For Limitation Years beginning after December 31, 2008, Limitation Compensation shall also include any payment which (1) is made by an Employer to an individual with respect to any period during which the individual is performing service in the uniformed services while on active duty for a period of more than thirty (30) days, and (2) represents all or a portion of the wages the individual would have received from the Employer if the individual were performing service for the Employer.

1.27. "Member" shall mean a Worker or other person who has been properly enrolled and is included in the Plan as provided in SECTION II and whose membership has not terminated pursuant to any provisions of the Plan. The term includes Inactive Members and Retired Members where appropriate within the context in this Plan.

1.28. "Member Congregation" of the Synod shall mean an individual congregation which has applied for and been received into membership in the Synod pursuant to the provisions of the Bylaws of the Synod.

1.29. "Non-Rostered" shall mean not on the official roster of ordained and commissioned ministers of the Synod.

1.30. "Normal Retirement Age" shall mean:

- a) the sixty-fifth (65th) birthday of a Member born prior to 1938;
- b) the sixty-sixth (66th) birthday of a Member born after 1937, but prior to 1955; and
- c) the Social Security Retirement Age set forth in Subsection 1.55 for a Member born in 1955 or later.

Notwithstanding the foregoing, for any Member who ceased Creditable Service prior to July 1, 2014 and who did not reenroll as a Worker on or after July 1, 2014, "Normal Retirement Age" shall mean the Member's sixty-fifth (65th) birthday.

1.31. “Normal Retirement Date” shall mean the date on which the Member (a) has attained Normal Retirement Age, (b) has completed five (5) years of Creditable Service, and (c) has terminated employment.

1.32. “Other Eligible Organization” shall mean an organization (other than an Employer Hereunder) which meets the following requirements:

- a) The organization shall furnish to Concordia Plan Services a copy of a currently valid U.S. Treasury Department determination letter establishing that it is an organization which is exempt from federal income tax under the provisions of section 501(c)(3) of the Code. If the organization is organized under the laws of a country (or political subdivision thereof) other than the United States, it shall establish to the satisfaction of Concordia Plan Services that it is an organization which, if it were organized in the United States, would be exempt from federal income tax under the provisions of section 501(c)(3) of the Code.
- b) The organization shall have, or be an eligible and participating employer in, a formal pension or retirement plan in which the Transferred Member is eligible to participate and which meets the following criteria:
 - i) it shall be a funded plan,
 - ii) it shall either provide for immediate vesting or, if it provides for vesting on the basis of a term of years of creditable service, it shall provide or so operate that all Creditable Service Hereunder shall be automatically taken into account in satisfying its vesting requirements, and
 - iii) it shall provide or so operate that a covered worker under it shall not, by virtue of transferring to the service of an Employer which is an eligible participating Employer in the Concordia Retirement Plan, forfeit any accrued benefits, or otherwise suffer detriment, under provisions less favorable than those set out in SECTION IV and applicable to Workers transferring from The Lutheran Church—Missouri Synod to such Other Eligible Organization.

For purposes of this Subsection, United States Social Security shall not be deemed to be another pension or retirement plan maintained by any Other Eligible Organization.

- c) The organization shall enter into a written agreement with Concordia Plan Services that, effective as of and after the date on which the organization is deemed to be an Other Eligible Organization Hereunder, it shall perform as follows:
 - i) if the organization's exempt status under section 501(c)(3) of the Code is revoked or modified, it shall immediately notify Concordia Plan Services, and
 - ii) the pension or retirement plan which satisfies the requirements of the foregoing subparagraph b) shall not be amended in a manner which causes it to not satisfy the requirements of subparagraph b) unless the organization shall notify Concordia Plan Services in writing no less than ninety (90) days prior to the effective date of any such amendment.

1.33. “Pension Plan for Pastors and Teachers” or “PPPT” shall mean the Pension Plan for Pastors and Teachers of The Lutheran Church—Missouri Synod, which Pension Plan was established as of October 1, 1937 and merged into this Plan.

- 1.34. "Personal Accumulation" shall mean that portion of a Member's account under the PPPT that resulted from the Member's personal contribution plus any increments or special allocations thereto.
- 1.35. "Plan Year" shall mean a consecutive twelve (12) month period commencing January 1 and terminating December 31.
- 1.36. "PPPT Member" shall mean a person included in the Plan pursuant to Subsection 22.10 and whose membership has not terminated pursuant to any applicable provisions of the Plan.
- 1.37. "PPPT Merger Date" shall mean December 31, 2017, the date the PPPT was merged into the Plan.
- 1.38. "Primary Benefit" shall mean a benefit described in SECTION VII of the Plan.
- 1.39. "Primary Benefit Commencement Date" shall mean the first day of the first month for which a Member's Primary Benefit is first paid as an annuity. In no event will a Member's Primary Benefit Commencement Date precede the earliest date benefits are distributable Hereunder.
- 1.40. "Primary Early Retirement Benefit" shall mean a benefit described in Subsection 9.2.
- 1.41. "Primary Late Retirement Benefit" shall mean a benefit described in Subsection 10.2.
- 1.42. "Primary Normal Retirement Benefit" shall mean a benefit described in Subsection 8.1.
- 1.43. "Prior Plan for Lay Workers" shall mean the Retirement Plan for Lay Employees of The Lutheran Church—Missouri Synod, which plan became effective as of January 1, 1948.
- 1.44. "Prior Plan for LLL Workers" shall mean the retirement plan incorporated in the group pension contract, Policy No. 7517GP, between Great-West Life Assurance Company of Winnipeg, Canada, and the Lutheran Laymen's League, executed November 1, 1954, with register date of October 1, 1954, as such plan was in effect on January 1, 1967, and as thereafter amended.
- 1.45. "Prior Plan for Professional Workers" shall mean the Pension Plan for Pastors and Teachers of The Lutheran Church—Missouri Synod, which Pension Plan was established as of October 1, 1937.
- 1.46. "Prior Plans" shall mean the Prior Plan for Professional Workers, the Prior Plan for Lay Workers, and the Prior Plan for LLL Workers, and the term "Prior Plan" shall mean one of the Prior Plans.
- 1.47. "Probationary Employee" shall mean a Non-Rostered employee of an Employer, who has been so designated by the Employer, with that designation communicated to Concordia Plan Services, and with such designation lasting no longer than sixty (60) days, commencing on the first day of an employee's employment, and administered in accordance with requirements imposed by Concordia Plan Services.
- 1.48. "Qualified Relative" shall mean an individual whose relationship to the Member is recognized for federal tax purposes pursuant to Treas. Reg. § 301.7701-18(b) but who is not a Spouse at the time the determination is being made.
- 1.49. "Retired Member" shall mean a Member who is no longer a Worker, has reached his or her Early Retirement Date as described in Subsection 9.1 and has a nonforfeitable right under SECTION XIV to receive benefits Hereunder as a Member, but who is not a Vested Terminated Member. For

purposes of Subsection 11.2 a), such term shall also include a Transferred Member who has become eligible to receive a retirement benefit from The Lutheran Church—Canada retirement plan and who is no longer a Worker with either the Synod or The Lutheran Church—Canada.

Effective January 1, 2006, a Member cannot be both a Worker enrolled in the Concordia Health Plan, Concordia Retirement Plan, or Concordia Disability and Survivor Plan and at the same time a Retired Member enrolled in the Concordia Health Plan, Concordia Retirement Plan, or Concordia Disability and Survivor Plan unless such person is not eligible to be a Worker enrolled in the Concordia Health Plan because the hours requirement designated by the Employer in accordance with Subsection 1.36 i) of such Concordia Health Plan is not met. However, any Member in such a dual classification as of December 31, 2005, may continue in such a classification as long as there are no breaks in service or membership.

1.50. “Retiree Medical Supplement” shall mean a benefit described in SECTION XII of the Plan.

1.51. “Retirement Benefit” shall mean the benefits payable under the Plan to a Retired Member.

1.52. “Retirement Cash Account” shall mean a benefit described in SECTION XIII of the Plan.

1.53. “Rostered” shall mean on the official roster of ordained and commissioned ministers of the Synod.

1.54. “Section/Subsection” shall mean a Section or Subsection of this Plan document, unless otherwise specified.

1.55. “Social Security Retirement Age” shall mean:

a) For Members born in 1955 or later, the age set forth in the following table:

<u>Year of Birth</u>	<u>Social Security Retirement Age</u>
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

b) For Members born in 1955 or later, this definition is meant to satisfy the definition set forth in section 415(b)(8) of the Code, as may be amended from time to time.

c) Notwithstanding the foregoing, if the Social Security Full Retirement Age is changed after July 1, 2014, by amendment of the 1935 Social Security Act, the definition of Social Security Retirement Age set forth in this Subsection shall automatically change to become identical to the Social Security Full Retirement Age, for Members retiring on or after the effective date of such amendment to the 1935 Social Security Act.

1.56. “Spouse” shall mean an individual of the opposite sex of the Member to whom the Member is married (and not legally separated) at the time the determination is being made.

1.57. “Straight Life Annuity” shall mean an annuity payable in equal installments for the life of the Member, which terminates upon the Member’s death.

1.58. “Supplemental Retirement Account” shall mean a benefit described in SECTION XI of the Plan.

1.59. “Synod” shall mean The Lutheran Church—Missouri Synod.

1.60. “Termination Benefit” shall mean the monthly Primary Benefit payable under the Plan to a Vested Terminated Member, with the Member’s Normal Retirement Date to be treated as the effective date of retirement.

1.61. “The Plan” shall mean the Concordia Retirement Plan, as Herein set forth, and as the same may be amended from time to time.

1.62. “Transferred Member” shall mean a Member who leaves the service of an Employer to accept employment with any Other Eligible Organization, or a person who leaves the service of any Other Eligible Organization to accept employment with an Employer or with any Other Eligible Organization.

1.63. “Trust” shall mean the Trust as herein provided, and all amendments hereto.

1.64. “Vested” and “Vesting” shall have the meaning set forth in SECTION XIV.

1.65. “Vested Terminated Member” shall mean an Inactive Member whose employment terminated prior to his or her Early Retirement Date as described in Subsection 9.1, for any reason other than death or Disability, but who under SECTION XIV has a nonforfeitable right to receive benefits Hereunder.

1.66. “Worker” shall mean an individual who receives Compensation (wages or salary or their equivalent) for personal services in a position the duties of which ordinarily require regular, full-time employment and who meets one of the requirements described in the Subsections below. Additionally, if an individual becomes a Member on or after July 1, 2022, attainment of age 21 is required.

- a) regularly employed by an Employer described in Subsection 1.21 a) through d),
- b) a duly ordained, commissioned, or licensed minister who is employed (other than by an Employer described in Subsection 1.21 a) through d)) by an organization, whether or not incorporated, which is exempt from federal income tax under section 501 of the Code and controlled by or associated with the Synod by virtue of its designated status as a recognized service organization; provided however, that any such organization also must satisfy specific criteria promulgated from time to time by Concordia Plan Services, or
- c) a Rostered minister who is described in Subsection 1.21 e).

However, such term shall not include:

- i) a person employed on a temporary or part-time basis (for all purposes of the Plan, persons whose customary employment is for twenty (20) hours or less a week, and persons whose customary employment is for five (5) consecutive months or less, shall be deemed to be part-time and temporary employees, respectively);
- ii) a person employed as a Probationary Employee;
- iii) a person who is employed by an Employer that is determined by Concordia Plan Services to be a pan-Lutheran employer and who participates in a group

pension or retirement plan (other than Social Security) sponsored or maintained by such other Lutheran church body;

- iv) a person who is considered a “leased employee” (a “leased employee” is a person who performs services for, but is not employed by, an Employer pursuant to an agreement between such Employer and a leasing organization where such services are performed under the primary direction or control of the Employer);
- v) a person (other than a Rostered minister described in section 414(e)(5)(A)(i) of the Code) who is engaged as an independent contractor pursuant to a contract or agreement between an Employer and such person which designates such person as an independent contractor (even if such person is retroactively held or found to be a “common law employee”);
- vi) a person who is considered “adjunct faculty” by his or her Employer; or
- vii) a person who is a permanent resident of Puerto Rico.

Notwithstanding the foregoing, special rules and guidelines may be established in separate administrative policies and/or procedures by the Board of Trustees or Concordia Plan Services regarding the eligibility, enrollment, benefits, and other Plan provisions for persons in the following classifications: (a) missionaries and international educators serving through the Synod’s Office of International Mission; (b) military chaplains serving through the Synod’s Ministry to the Armed Forces of the Synod’s Office of International Mission; (c) Laborers for Christ serving through the Lutheran Church Extension Fund—Missouri Synod; (d) Workers serving at the Synod’s Hong Kong International School, Concordia Lutheran School Shanghai, and Concordia International School Hanoi; (e) Intentional Interim Pastors, and (f) persons concurrently performing services for more than one organization (one of which is an Employer) for wages or salary or their equivalent and who are not excluded from the definition of Worker under subparagraphs i) through vi) of this Subsection, with such persons to be eligible for enrollment in the Plan only if such eligibility does not knowingly violate any policies of the Synod or any applicable requirements of section 401(a) of the Code.

SECTION II
MEMBERSHIP

2.1. Eligibility determination and enrollment. A Worker shall be eligible for enrollment once the Worker has attained age 21 and satisfied all other eligibility requirements. The foregoing sentence shall not apply to any Worker who becomes a Member prior to July 1, 2022. The Employer shall, in accordance with the provisions hereof, enroll or cause to be enrolled all Workers and their eligible Dependents, by promptly following current enrollment procedures and providing all requested data. The Worker shall be responsible for providing accurate enrollment information. Concordia Plan Services may, on its own motion, reexamine the Employer's determination about an employee's or a dependent's eligibility and if an Employer shall exclude any employee, such employee may appeal in writing to Concordia Plan Services. The decision of Concordia Plan Services concerning an employee's eligibility as a Worker or a dependent's eligibility shall be binding and conclusive. If the determination as to eligibility of any such persons is subsequently reversed by a governmental body or arbitrator, such reversal shall only have prospective effect, from the time of the reversal.

2.2. Workers on Employer's effective date. Every Worker on the Effective Date of the Plan that is applicable to such Worker's Employer shall become a Member on such date.

2.3. Newly employed Workers. Each new Worker employed by an Employer after the Effective Date of the Plan which is applicable to that Employer shall become a Member on the first day of the calendar month coinciding with or next following (as determined by the Employer) the date of employment, except if special rules contained in this Section apply.

2.4. Special rules for assigned Workers. At the discretion of the Employer to which such person is assigned, a person assigned as a Worker to an Employer by the Council of Presidents of the Synod (acting as the Board of Assignments) may become a Member as of the first day of any calendar month coinciding with or next following (as determined by the Employer) the date upon which the Council of Presidents made the assignment, as long as all academic requirements for graduation have been completed by that date; provided, however, that such enrollment shall be no later than the first day of the month coinciding with or next following (as determined by the Employer) the date of employment as stipulated in Subsection 2.3.

2.5. Special rules for newly qualified Workers. Each person previously in the employ of an Employer, but who has not met the requirements for being a Worker, and who thereafter meets such requirements shall be deemed to be newly employed and shall become a Member pursuant to Subsection 2.3 on the first day of the calendar month coinciding with or next following (as determined by the Employer) the date the employee qualifies as a Worker.

2.6. Special rules for ministers not employed by an Employer. A minister who is a Worker as defined in Subsection 1.66 b) but who is employed by an organization which has not adopted the Plan may nevertheless become a Member as of the first day of any calendar month, or may continue to be a Member if already a Member when initially employed by such organization, upon the following conditions:

- a) the employing organization shall enter into a written agreement with Concordia Plan Services confirming that
 - i) such minister is in its employ, specifying the general nature, duties, and compensation of the minister's position, and is not, and will not upon the satisfaction of any conditions precedent become, a member of any other pension or retirement plan (not including Social Security or any defined

- contribution plan, 401(k) plan, or 403(b) plan) to which such organization contributes;
- ii) it will pay all required contributions on behalf of such minister in a timely manner in accordance with the provisions of the Plan;
 - iii) it will deliver to Concordia Plan Services a copy of Internal Revenue Service form W-2 at the same time it delivers such form to the minister;
 - iv) any other minister who is a Worker as defined in Subsection 1.66 b) at the same employing organization also will become a Member at the same time and in accordance with the same conditions set forth in this Subsection 2.6 a);
 - v) it will promptly inform Concordia Plan Services of any change in or termination of the minister's employment status, including the granting and termination of leaves of absence and the last day worked prior to and first day worked after periods of Disability, and of any change in Compensation; and
 - vi) it will indemnify and save and hold the Plan, the Board of Trustees, Concordia Plan Services and the Synod harmless from and against all claims, demands, liabilities, and obligations arising out of such employment or any act or omission of the minister in the course of such employment except for obligations arising as a result of the minister's membership in this or any other of the Concordia Plans of the Synod;
- b) the minister also enrolls, simultaneously, in the Concordia Disability and Survivor Plan; the Concordia Health Plan unless such minister provides proof of other health coverage through the minister's Spouse, Qualified Relative, other employment, or the military; and, optionally, the Concordia Retirement Savings Plan; and
 - c) the minister follows the current enrollment procedures established by Concordia Plan Service and submits all requested data concerning such minister and Dependents.

Concordia Plan Services shall determine whether such minister is eligible to participate in the Plan and whether all of the conditions to such participation have been satisfied, and its decision shall be binding and conclusive.

No person employed by the employing organization who is not a Worker as defined in Subsection 1.66 shall become a Member as a consequence of the written agreement between the organization and Concordia Plan Services. Except as otherwise expressly provided in the Plan, a minister who becomes (or continues to be) a Member pursuant to this Subsection shall be treated in all respects the same as any other Member.

2.7. Special rules related to Eligibility Waiting Period. An Employer that has elected the Retirement Cash Account for its Non-Rostered Workers or for one or more employment classifications of Non-Rostered Workers, in accordance with SECTION XIII of the Plan, may elect to require completion of an Eligibility Waiting Period by any such Non-Rostered Worker who has not completed twelve (12) months or more of Creditable Service. Notwithstanding the foregoing, an Employer that adopts the Plan on or after July 1, 2011, and that on the date of such adoption elects both the Retirement Cash Account and Eligibility Waiting Period, may require completion of an Eligibility Waiting Period by all of its Non-Rostered Workers, or any designated classification thereof, in accordance with SECTION XIII of the Plan, with the Eligibility Waiting Period to begin for those Workers on the effective date of the Employer's adoption of the Plan, except as otherwise specified Herein. A Worker who has accrued

one (1) or more months of Creditable Service shall receive credit towards completion of the Eligibility Waiting Period based on the number of full months of accrued Creditable Service. A Worker shall be enrolled as a Member during the Worker's Eligibility Waiting Period.

2.8. Late enrollment. If an Employer submits the required application for membership after a Worker's first date of eligibility, such Worker shall be enrolled in the Plan retroactive to the first day of the calendar month coinciding with or next following (as determined by the Employer) the date he or she met the eligibility requirements of Subsection 2.1. All retroactive contributions, plus any required interest, shall be paid by the Employer.

2.9. Transfer of employment between Employers. After having once become a Member, a Worker who ceases to be employed by one Employer and who, within three (3) calendar months, becomes a Worker with another Employer shall not be deemed to have a termination of membership. Such Worker's status as a Member shall continue until terminated pursuant to the provisions of SECTION VI.

SECTION III

DEPENDENTS-ENROLLMENT

3.1. Dependent. The term "Dependent" shall mean a Member's unmarried Child under age twenty-one (21) who qualifies as a dependent for federal income tax purposes or would have been qualified as such a dependent but for exceeding applicable age or earnings limits; provided, however, that such an unmarried Child will be considered a Dependent after attaining age twenty-one (21) only if otherwise a Dependent and

- a) if Disabled before attaining age twenty-one (21), while the Disability continues, or
- b) if such Child is a full-time student in an accredited educational institution, but not after attaining age twenty-seven (27) unless Disabled while such a student and while the Disability continues.

A Member's Child who was not a Dependent at the date such Member's Creditable Service ceased cannot thereafter become a Dependent Child, other than such Member's Child born after the Member's death, unless the Member again becomes a Worker and enrolls as a Member.

3.2. Enrollment procedure. The following rules shall govern enrollment of Dependents:

- a) A Worker must report all Dependents at the time the Worker becomes a Member by completing the appropriate enrollment procedures then in effect.
- b) If a Member acquires a Dependent, such Dependent will be treated as enrolled from the date of becoming a Dependent if the proper enrollment procedures are carried out by the Member and submitted to Concordia Plan Services. Any retroactive contributions, plus any required interest as described in Subsection 18.2, shall be paid by the Employer.
- c) No Dependent of a Disabled Member may be enrolled during any period when contributions are waived pursuant to Subsection 18.5, except
 - i) a Child born during the period of Disability, or
 - ii) a Child in the process of adoption at the commencement of the Disability.

It is the responsibility of each Worker to report all Dependents and all changes in Dependents so proper enrollment can be accomplished.

3.3. Dependency representation. If a person is represented in an enrollment process as a Dependent of the Member, the acceptance by Concordia Plan Services of the enrollment shall not preclude Concordia Plan Services at a later date from making a determination that such person is not a Dependent under the provisions of the Plan and voiding such person's membership.

SECTION IV

TRANSFER BETWEEN ELIGIBLE ORGANIZATIONS

4.1. Applicability. The membership and the benefits under the Plan of (a) a Member, including a Member who is on a leave of absence, who leaves the service of an Employer before eligible for Early Retirement and who, within ninety (90) days thereafter, accepts employment with any Other Eligible Organization, and (b) of a person who leaves the service of any Other Eligible Organization and within ninety (90) days thereafter accepts employment with either an Employer or with any Other Eligible Organization, shall be governed by the provisions of this SECTION IV.

4.2. Participation in other pension plan required. If a Transferred Member is employed by any Other Eligible Organization and elects not to participate in the retirement or pension plan of such organization, or waives the right to do so, the Transferred Member shall be deemed to have terminated employment, for purposes of SECTION VI, as of the date the Member's employment with an Employer terminated.

4.3. Transfer to Other Eligible Organization. A Transferred Member who accepts employment with any Other Eligible Organization shall not forfeit the Creditable Service which had accumulated at the time of the transfer.

4.4. Effect on benefits.

- a) Primary Benefits. If a Transferred Member retires or terminates employment with any Other Eligible Organization and does not within ninety (90) days thereafter become employed by an Employer or by any Other Eligible Organization, the status as a Transferred Member shall terminate at the end of the calendar month in which retirement or termination of employment takes place and the following provisions shall be applicable:
 - i) any period of service with any Other Eligible Organization shall be treated as Creditable Service for purposes of Vesting only. No service with an Other Eligible Organization shall be considered for any benefit accrual purposes unless otherwise specifically provided Herein.
 - ii) The accrued monthly benefit shall be determined as of the date of transfer to the Other Eligible Organization.

If a Transferred Member dies while in the service of any Other Eligible Organization and has accumulated at least five (5) years of Creditable Service on the date of death, the death benefits provided in Subsection 15.2 shall be applicable.

In addition to the foregoing, for a Member who transfers directly to The Lutheran Church–Canada, benefits will be provided in accordance with the Protocol Document signed in January 1989 between the Board of Trustees and The Lutheran Church–Canada.

- b) Supplemental Retirement Account. The Supplemental Retirement Account of a Member who accepts employment with any Other Eligible Organization pursuant to this SECTION IV and participates in the retirement or pension plan of such organization shall continue to receive interest credits, but shall not receive any compensation credits. No payment of the Supplemental Retirement Account shall be made while the Member is a Transferred Member.

- i) Initial Credits – Lutheran Church—Canada. A Transferred Member who was employed by the Lutheran Church—Canada on January 1, 1999, shall receive initial credit for the period of Creditable Service earned in the Plan as a Worker prior to becoming a Transferred Member in accordance with Subsection 11.1.

- c) Retiree Medical Supplement. A Transferred Member who is employed by an Other Eligible Organization shall be deemed to earn additional Creditable Service for all periods of participation in the retirement or pension plan of such Other Eligible Organization for purposes of computing Creditable Service toward payment of a Retiree Medical Supplement, but shall not receive RMS Service Credits for such period.
 - i) Initial Service Credits—Lutheran Church—Canada. A Transferred Member who was employed by Lutheran Church—Canada on January 1, 2006, shall receive the Initial Service Credits for the period of Creditable Service earned in the Plan as a Worker prior to becoming a Transferred Member.

- d) Retirement Cash Account. A Transferred Member who is employed by an Other Eligible Organization shall be deemed to earn additional Creditable Service for all periods of participation in the retirement or pension plan of such Other Eligible Organization for purposes of computing Creditable Service toward vesting and shall continue to receive interest credits, but shall not receive any compensation credits. No payment of the Retirement Cash Account shall be made while the Member is a Transferred Member.

4.5. Transfer from Other Eligible Organization. A Transferred Member who was a participant in a pension or retirement plan described in Subsection 1.32 b) and who accepts employment with an Employer shall become a Member of the Plan on the first day of the calendar month coinciding with or next following (as determined by the Employer) the date of employment. Any period of service with any Other Eligible Organization immediately prior to a person's transfer to an Employer shall be treated as Creditable Service for purposes of Vesting only. No service with an Other Eligible Organization shall be considered for any benefit accrual purposes unless otherwise specifically provided Herein.

Any prior Creditable Service which remained to the credit of such a Transferred Member who had previously been employed by an Employer shall be, in accordance with the provisions of Subsection 4.3, added to any Creditable Service subsequently earned.

4.6. Effective date. The foregoing provisions are applicable only to Workers who became Transferred Members after December 31, 1976. Any Worker who was a Transferred Member on that date under the provisions of the Plan as then in effect shall continue to be a Transferred Member while in the employ of the organization where employed on December 31, 1976. If such a Transferred Member thereafter ceases to be so employed, the Transferred Member's status and rights shall then be determined pursuant to this SECTION IV.

SECTION V

LEAVES OF ABSENCE

5.1. Educational leaves granted by Concordia Plan Services. A Member who, prior to the Member's Normal Retirement Date, terminates employment or desires to terminate employment for the purpose of furthering education or obtaining specialized training, so as to increase capacity for service in the work of the Synod, may apply to Concordia Plan Services for a leave of absence. In connection with such application, the Member shall furnish Concordia Plan Services such information as Concordia Plan Services may request. Upon determining, under uniform rules established by Concordia Plan Services and applicable in a nondiscriminatory fashion to all Members similarly situated, that the Member's request is for a proper educational purpose and that the Member intends to reenter service with an Employer following such leave, the leave will be granted for a period not to exceed one (1) year. The authorized period of the leave may be extended by Concordia Plan Services from time to time upon application of the Member. A person while on such a leave of absence shall not be a Member of the Plan. If a person who is on an educational leave of absence returns to the employ of an Employer and becomes a Member of the Plan within one (1) year after termination of the leave, such person will be deemed to have accrued Creditable Service during the period of such leave, without making any contributions to the Plan, up to a maximum of four (4) years.

Where Creditable Service was deemed to have accrued during the period of such a leave, it shall be assumed that the Member earned Compensation at a rate according to which contributions were being paid immediately preceding the date of the commencement of the leave.

5.2. Leaves granted by Employer. An Employer may grant a leave of absence to a Member under uniform rules established by the Employer and approved by Concordia Plan Services and applicable in a nondiscriminatory fashion to all of its Workers enrolled in the Plan, if at the time of grant the Member intends to reenter service with that same Employer following such leave. The leave of absence may be granted for a period not to exceed one (1) year. The authorized period of the leave may be extended by the Employer from time to time upon written request from the Employer to, and written approval by, Concordia Plan Services.

While on such leave of absence a person's membership in the Plan shall continue. During the period of the leave, contributions for the Member must be made to the Plan by the Employer and shall be based upon the greater of (i) actual Compensation paid to the Member by the Employer during the period of the leave or (ii) Compensation in effect immediately preceding the date of the commencement of the leave.

5.3. Leaves for governmental service. A leave of absence shall be granted by Concordia Plan Services to a Member whose employment is interrupted because of compulsory service (or voluntary service in anticipation of compulsory service or during a period of national emergency or war as declared by the appropriate governmental agency) in the armed forces (or other agencies in lieu thereof) of the United States. No contributions shall be required with respect to a Member during such leave, and if the Member resumes employment with an Employer upon termination of the leave, membership in the Plan shall be deemed not to have terminated.

For the purpose of determining the Final Average Monthly Compensation of such a Member, it shall be assumed that the Member is earning Compensation at the rate according to which contributions were being paid immediately preceding the date of the commencement of the leave.

For the purpose of determining compensation credits for the Supplemental Retirement Account or the Retirement Cash Account of such a Member, it shall be assumed that the Member is earning

Compensation at the rate according to which contributions were being paid immediately preceding the date of the commencement of the leave.

5.4. Termination of leaves. A leave of absence shall continue until terminated in accordance with the provisions of this Subsection 5.4.

- a) Nongovernmental leave. A leave of absence granted under Subsection 5.2 shall terminate at the end of the calendar month in which the first of the following occurs:
 - i) the Member returns to the employ of an Employer,
 - ii) commencement of employment not contemplated when the leave was granted,
 - iii) the end of the period for which the leave was granted, unless the period of the leave is extended in accordance with the provisions of Subsection 5.2; and, if the period of the leave is extended, at the end of the extension period,
 - iv) the Member's Normal Retirement Date, or
 - v) the required contributions for the Member are not received by Concordia Plan Services.

- b) Governmental leave. A leave of absence granted under Subsection 5.3 shall terminate at the end of the calendar month in which the first of the following occurs:
 - i) the Member is employed by an Employer or any other employer,
 - ii) ninety (90) days following discharge from active duty in the armed forces or with the other agency; provided, however, that an additional ninety (90) day period may be granted by Concordia Plan Services for a Member who is actively seeking reemployment by an Employer, or
 - iii) while the Member is serving in the armed forces (or other agency) but under circumstances such that the Member cannot qualify for a leave of absence under Subsection 5.3.

5.5. Special rules relating to the Uniformed Services Employment and Reemployment Rights Act of 1994. Notwithstanding any provision of the Plan to the contrary, benefits and service credits with respect to military service while serving in the armed services of the United States shall be provided in accordance with section 414(u) of the Code, as outlined in special procedures approved by Concordia Plan Services.

5.6. Special rules relating to the Heroes Earnings Assistance and Relief Tax Act of 2008. In the case of a death or disability occurring on or after January 1, 2007, if a Member dies while performing qualified military service (as defined in section 414(u) of the Code), the survivors of the Member are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Member had resumed and then terminated employment on account of death.

SECTION VI

TERMINATION OF MEMBERSHIP AND REEMPLOYMENT

6.1. Termination of membership. A Member's status as a Member and coverage under the Plan shall terminate at the end of the calendar month in which the first of the following occurs, unless the Member simultaneously becomes a Retired Member:

- a) termination of employment with the Employer through whom participating as a Member, unless
 - i) simultaneously becomes a Worker of another Employer,
 - ii) termination was on account of Disability, or
 - iii) in the case of a minister, simultaneously employed by an Employer described in one of paragraphs a) through d) of Subsection 1.21 or by an organization of the type described in Subsection 2.6, or simultaneously becomes an Employer described in Subsection 1.21 e).
- b) the Employer withdraws or is deemed to have withdrawn from the Plan under SECTION XIX,
- c) the Member ceases to qualify as a Worker,
- d) termination of a leave of absence under SECTION V unless the Member simultaneously becomes employed by an Employer,
- e) failure to resume employment with an Employer (or, in the case of a minister, failure to resume employment at an organization meeting the requirements of Subsection 2.6 or failure to become an Employer described in Subsection 1.21 e)), upon recovery from Disability, or upon the cessation otherwise of disability payments from the Concordia Disability and Survivor Plan, or
- f) the Member's death.

6.2. Status of Disabled Member. A Disabled Member shall be considered to be an active Member and, except for an In-Service Benefit (as defined in Subsection 10.4) for which payment commenced prior to the onset of Disability, shall not be entitled to receive payment of any benefit under the Plan during the period of Disability, even if the Member's Employer withdraws or is withdrawn from the Plan.

6.3. Reemployment of an Inactive Member. If an Inactive Member becomes a Worker again and earns additional Creditable Service on or after January 1, 1999, the following provisions shall be applicable:

- a) All Creditable Service earned both prior to and subsequent to again becoming a Member shall be retained for the purpose of determining entitlement to subsequent benefits under the Plan.
- b) If a Vested Terminated Member had been receiving the Member's Primary Benefit from the Plan prior to such reemployment, such Primary Benefit shall be discontinued while the Vested Terminated Member is a Worker. The amount of any subsequent Primary Benefit payable after the Member ceases to be a Worker shall be reduced by the

Actuarial Equivalent of the Primary Benefit received prior to reemployment. In no event shall a Member's accrued Primary Benefit upon subsequent retirement be less than the Member's accrued Primary Benefit payable immediately prior to reemployment unless there is a prior benefit overpayment to be recouped by the Plan.

- c) No Creditable Service with respect to which a Member received a lump-sum payment shall be aggregated for benefit accrual purposes, and no Creditable Service earned subsequent to again becoming a Member shall increase the Member's benefits previously paid in a lump sum.
- d) If a Vested Terminated Member had been receiving the Member's Supplemental Retirement Account in an annuity form prior to such reemployment of the Member as a Worker, the monthly payment of such Supplemental Retirement Account annuity shall continue. A new Supplemental Retirement Account shall be created for the Member's subsequent period of participation as a Worker only if the Member again becomes a Worker and is reenrolled in the Plan prior to July 1, 2014.
- e) If a Vested Terminated Member had been receiving the Member's Retirement Cash Account in an annuity form prior to such reemployment of the Member as a Worker, the monthly payment of such Retirement Cash Account annuity shall continue. If the Worker is again eligible for a Retirement Cash Account, a new Retirement Cash Account shall be created for the Member's subsequent period of participation as a Worker.

6.4. Reemployment of a Retired Member.

- a) Primary Benefit. If a Retired Member again becomes a Worker, the following provisions shall be applicable:
 - i) Benefit payment discontinued. Any Primary Benefit being received by the Member shall be discontinued until the Member again retires.
 - ii) Employer contributions. Contributions shall be made with respect to the Member in accordance with the provisions of SECTION XVIII during the period of reemployment.
 - iii) Benefits upon subsequent retirement. When the Member subsequently retires, the amount of Primary Benefit payable upon such retirement shall be based upon:
 - A) All Creditable Service, including additional Creditable Service earned during the period of reemployment,
 - B) Final Average Monthly Compensation, taking into account Compensation received during any period of Creditable Service following reemployment, and
 - C) Covered Compensation applicable at subsequent retirement, but this amount shall be reduced by the Actuarial Equivalent of any Primary Benefit payments received prior to such Member's reemployment.

In no event shall the Member's accrued Primary Benefit upon subsequent retirement be less than the Member's accrued Primary Benefit payable immediately prior to reemployment.

- b) Retiree Medical Supplement. If a Retired Member is receiving a Retiree Medical Supplement payment in an annuity form and again becomes a Worker, the payment of the Retiree Medical Supplement annuity shall continue unless there is a prior benefit overpayment to be recouped by the Plan.
- c) Supplemental Retirement Account Annuity. If a Retired Member had been receiving the Member's Supplemental Retirement Account in an annuity form and again becomes a Worker, the payment of the Supplemental Retirement Account annuity shall continue. A new Supplemental Retirement Account shall be created for the Member's subsequent period of participation as a Worker only if the Member again becomes a Worker and is reenrolled in the Plan prior to July 1, 2014.
- d) Concordia Retirement Savings Plan rollover payments. If a Retired Member who made a rollover contribution to the Plan from the Concordia Retirement Savings Plan and who is receiving payment of the rollover benefit again becomes a Worker, the payment of the rollover benefit shall continue.
- e) Retirement Cash Account Annuity. If a Retired Member is receiving the Member's Retirement Cash Account in an annuity form and the Member again becomes a Worker, the payment of the Retirement Cash Account annuity shall continue. If the Member again becomes eligible for a Retirement Cash Account, a new Retirement Cash Account shall be created for the Member's subsequent period of participation as a Worker.

SECTION VII

PRIMARY BENEFIT FORMULA

7.1. Accrued benefit.

- a) A Member's accrued monthly Primary Benefit at any time is a benefit payable at Normal Retirement Age, in an amount equal to the sum of
 - i) one and one-tenth percent (1.1%) of the Member's Final Average Monthly Compensation up to the Covered Compensation amount, multiplied by Creditable Service, plus
 - ii) one and six-tenths percent (1.6%) of the Member's Final Average Monthly Compensation in excess of Covered Compensation, multiplied by Creditable Service,

where Final Average Monthly Compensation, Creditable Service, and Covered Compensation are determined as of the time for which the Primary Benefit is being computed.

Notwithstanding the foregoing, the accrued monthly Primary Benefit shall not be less than four dollars (\$4) multiplied by the Member's Creditable Service.

- b) The amount determined under Subsection 7.1 a) shall be payable as follows, which shall constitute the Automatic Form of payment under the Plan:
 - i) For a Member who has a Spouse or Qualified Relative, a joint-and-70%-survivor annuity for the life of the Member and the Member's Spouse or Qualified Relative.
 - ii) For a Member who does not have a Spouse or Qualified Relative, a life-only annuity for the life of the Member equal to one hundred five percent (105%) of the amount that would have been payable under i).

These Automatic Forms of payment and alternative methods of payment that may be available under the Plan are further described in SECTION XVII.

7.2. Minimum accrued benefit. A Member's accrued monthly Primary Benefit shall never be less than the Member's accrued monthly Primary Benefit as of December 31, 1988, under the provisions of the Plan as in effect on that date.

7.3. Benefits of Disabled Members. If a Disabled Member

- a) remains Disabled until payments from the Concordia Disability and Survivor Plan cease other than because of recovery from Disability, the Member's status as a Member and coverage under the Plan shall terminate as described in Subsection 6.1, except that if such Member is eligible to be a Retired Member or a Vested Terminated Member, as determined by Subsections 1.49 and 1.65, respectively, then, upon satisfying all of the applicable requirements of the Plan, the Member shall receive a Primary Benefit Hereunder equal to the Member's accrued monthly benefit at that time, where Creditable Service includes the period of Disability and where the Member's Final Average Monthly Compensation is calculated by increasing the Compensation in effect at the date Disability commenced by three percent (3%) each January 1 while Disability continues, starting with the first January 1 coinciding with or immediately

following one full year of continuous Disability, measured from the date on which Disability commenced.

- b) recovers from Disability prior to the time benefits from the Concordia Disability and Survivor Plan would otherwise cease and does not again have required contributions made by an Employer and is not granted a leave of absence under the provisions of SECTION V, the Member shall have the accrued monthly benefit calculated including Creditable Service during the period of Disability and where the Member's Final Average Monthly Compensation is calculated by increasing the Compensation in effect at the date the Disability commenced by three percent (3%) each January 1 while the Disability continues, starting with the first January 1 coinciding with or immediately following one (1) full year of continuous Disability, measured from the date on which the Disability commenced.
- c) recovers from Disability prior to the time benefits from the Concordia Disability and Survivor Plan would otherwise cease and again has required contributions made by an Employer or is granted a leave of absence under the provisions of SECTION V, the Member shall be deemed to have earned Creditable Service during the entire period of Disability and shall be treated as having received annual Compensation in an amount equal to the annual Compensation when the Disability commenced, increased by three percent (3%) on each January 1 while Disability continues, starting with the first January 1 coinciding with or immediately following one (1) full year of continuous Disability, measured from the date on which the Disability commenced.

7.4. Self-employed Members on December 31, 1981. Any Member who, on December 31, 1981, was deemed to be a self-employed person under the Social Security laws, whose self-employed status does not subsequently terminate, and whose participation in the Plan as a Worker does not subsequently terminate for a period of more than five (5) years, may participate on a basis such that the Member's accrued benefit is the sum of

- a) one and six-tenths percent (1.6%) of the Member's Final Average Monthly Compensation multiplied by the Creditable Service earned by the Member while participating pursuant to this Subsection 7.4, and
- b) the accrued benefit under Subsection 7.1 for all other Creditable Service.

Such Member may change the basis of participation effective as of the first day of any calendar month.

7.5. Special rules for Members with Retirement Cash Accounts. Notwithstanding the foregoing, a Member for whom a Retirement Cash Account has been established under SECTION XIII of the Plan is not entitled to any benefit under this SECTION VII, except for any Member who has a Retirement Cash Account and who also has been employed for one or more Employer(s) with which the Member has accrued a Primary Benefit, which shall be computed based solely on the Member's Creditable Service for the Employer(s) with which the Member has accrued a Primary Benefit. Notwithstanding the foregoing, in calculating the amount of the Primary Benefit, Final Average Monthly Compensation shall be computed in accordance with Subsection 1.22.

SECTION VIII

PRIMARY NORMAL BENEFITS

8.1. Amount and payment dates for Primary Normal Retirement Benefit. A Member's Primary Normal Retirement Benefit is a monthly retirement income in an amount equal to the Member's accrued monthly Primary Benefit at the Member's Normal Retirement Age.

The Primary Normal Retirement Benefit shall be payable on the first day of the month following the Member's Normal Retirement Date. If the Member continues employment beyond his Normal Retirement Age, but ceases to be a Worker, the Member may (i) defer commencement of the Primary Retirement Benefit until the date of termination of employment or (ii) elect to commence such benefit as the first day of any month during continued employment and after the Member's Normal Retirement Age, as elected by the Member. Such payment shall be made in the Automatic Form unless the Member elects an alternate form of payment under SECTION XVII in accordance with procedures established by Concordia Plan Services. Such date shall constitute the Member's Primary Benefit Commencement Date.

8.2. Amount and payment dates for Termination Benefit. A Vested Terminated Member's normal Termination Benefit is a monthly benefit in an amount equal to one hundred percent (100%) of the Vested Terminated Member's accrued monthly Primary Benefit at the time the Vested Terminated Member's Creditable Service ceases.

The Vested Terminated Member's normal Termination Benefit shall be payable on the first day of the month which coincides with or next follows the Member's attainment of Normal Retirement Age. Such date shall constitute the Vested Terminated Member's Primary Benefit Commencement Date. The Termination Benefit shall be paid in the Automatic Form unless the Member elects an alternate form of payment under SECTION XVII in accordance with procedures established by Concordia Plan Services.

8.3. Special rules for Members with Retirement Cash Accounts. Notwithstanding the foregoing, a Member for whom a Retirement Cash Account has been established under SECTION XIII of the Plan is not entitled to any benefit under this SECTION VIII, except for any Member who has a Retirement Cash Account and who also has been employed for one or more Employer(s) with which the Member has accrued a Primary Benefit, which shall be computed based solely on the Member's Creditable Service for the Employer(s) with which the Member has accrued a Primary Benefit. Notwithstanding the foregoing, in calculating the amount of the Primary Benefit, Final Average Monthly Compensation shall be computed in accordance with Subsection 1.22.

SECTION IX

PRIMARY EARLY BENEFITS

9.1. Early Retirement Date. A Member who has attained age fifty-five (55) and has accumulated at least five (5) years of Creditable Service is eligible for and may elect Early Retirement prior to the Member's Normal Retirement Date in accordance with Subsection 9.3. Notwithstanding any other provision in the Plan, a Member who both attained age fifty-five (55) and accumulated three (3) years of Creditable Service prior to January 1, 1982, may elect early retirement, and will be considered a Retired Member. The Early Retirement Date of a Member who elects Early Retirement under this Subsection 9.1 shall be the date so elected.

9.2. Amount of Primary Early Retirement Benefit. A Member's Primary Early Retirement Benefit is a monthly retirement income in an amount equal to the Member's accrued monthly Primary Benefit at the Member's Early Retirement Date.

9.3. Payment dates. A Member's Primary Early Retirement Benefit shall be payable in accordance with procedures established by Concordia Plan Services and shall be paid in accordance with the following:

- a) General. A Member who has terminated employment may elect to have payment of the Primary Early Retirement Benefit commence on the first day of any month, but not beyond the first day of the month which coincides with or next follows the Member's attainment of Normal Retirement Age. A Member who has attained age sixty-two (62) and ceased to be a Worker but continues to be employed by an Employer may elect to have payment of the Primary Early Retirement Benefit commence on the first day of the month which follows the date the Member notifies Concordia Plan Services but not beyond the Member's attainment of Normal Retirement Age. Such date shall constitute the Member's Primary Benefit Commencement Date. In such case, the Member's Primary Early Retirement Benefit shall be reduced to reflect the early payment date ("Early Payment Reduction").
 - i) Solely with respect to the portion, if any, of a Member's Primary Early Retirement Benefit accrued after June 30, 2014, the Early Payment Reduction shall be one half of one percent (0.5%) for each month by which the Primary Benefit Commencement Date precedes the Member's Normal Retirement Date.
 - ii) Solely with respect to the portion, if any, of a Member's Primary Early Retirement Benefit accrued prior to July 1, 2014, except as described in paragraph b) of this Subsection 9.3, the Early Payment Reduction shall be one half of one percent (0.5%) for each month by which the Primary Benefit Commencement Date precedes the Member's sixty-fifth (65th) birthday.

A Retired Member on January 1, 1996, whose monthly benefit did not commence prior to such date may elect to have payment begin on or after the Member's Early Retirement Date as described above. However, the actual benefit payable to such a Retired Member shall not be less than what would have otherwise have been payable in accordance with the provisions in effect prior to January 1, 1996.

- b) Rule of 85. Solely with respect to the portion, if any, of a Member's Primary Early Retirement Benefit accrued prior to July 1, 2014, and solely for the purposes of this Subsection 9.3, in the case of a Member who meets the criteria below, the Early

Payment Reduction shall be one half of one percent (0.5%) for each month by which the Primary Benefit Commencement Date precedes the later of the date the Member attains age sixty-two (62) or the Member's Early Retirement Date. The criteria for payment of a benefit under this paragraph b) are:

- i) the Member's Early Retirement Date is after December 1, 1995, and
- ii) at the Member's Early Retirement Date, the sum of the Member's age (years and twelfths) plus Creditable Service in the Plan and all Prior Plans equals or exceeds eighty-five (85).

9.4. Special rules for Vested Terminated Members. A Vested Terminated Member may elect to have payment of the Member's Termination Benefit commence on the first day of any month which coincides with or follows the Vested Terminated Member's fifty-fifth (55th) birthday, but not beyond the first day of the month which coincides with or next follows the Vested Terminated Member's attainment of Normal Retirement Age. Such date shall constitute the Vested Terminated Member's Primary Benefit Commencement Date. In such case, the Member's Termination Benefit shall be reduced to reflect the early payment date in accordance with the following:

- a) Solely with respect to the portion, if any, of a Member's Termination Benefit accrued after June 30, 2014, such reduction shall be one half of one percent (0.5%) for each month by which the Primary Benefit Commencement Date precedes the Member's Normal Retirement Date.
- b) Solely with respect to the portion, if any, of a Member's Termination Benefit accrued prior to July 1, 2014, such reduction shall be one half of one percent (0.5%) for each month by which the Primary Benefit Commencement Date precedes the Member's sixty-fifth (65th) birthday.

A Vested Terminated Member on January 1, 1996, whose monthly Termination Benefit did not commence prior to such date may elect to have payment begin on or after the Member's Early Retirement Date as described in this Subsection 9.4. However, the actual Termination Benefit payable to such a Vested Terminated Member shall not be less than the benefit that would have been payable in accordance with the Plan provisions in effect prior to January 1, 1996.

9.5. Special rules for Members with Retirement Cash Accounts. Notwithstanding the foregoing, a Member for whom a Retirement Cash Account has been established under SECTION XIII of the Plan is not entitled to any benefit under this SECTION IX, except for any Member who has a Retirement Cash Account and who also has been employed for one or more Employer(s) with which the Member has accrued a Primary Benefit, which shall be computed based solely on the Member's Creditable Service for the Employer(s) with which the Member has accrued a Primary Benefit. Notwithstanding the foregoing, in calculating the amount of the Primary Benefit, Final Average Monthly Compensation shall be computed in accordance with Subsection 1.22.

SECTION X

PRIMARY LATE RETIREMENT AND IN-SERVICE BENEFITS

10.1. Late Retirement Date. A Member may continue in active service as a Worker after attaining Normal Retirement Age, in which case the Member's Late Retirement Date shall be the first day of the month after the date on which the Member terminates employment. If a Member does not terminate employment, but ceases to be a Worker, the Member may elect to commence Retirement Benefits as of the first day of any month after ceasing to be a Worker. The date so elected shall be the Member's Late Retirement Date.

10.2. Amount of benefit. A Member's Primary Late Retirement Benefit is a monthly retirement income in an amount equal to the Member's accrued monthly Primary Benefit at the Member's Late Retirement Date.

10.3. Payment form and benefit commencement dates. The Member's Primary Late Retirement Benefit shall be payable in the Automatic Form unless the Member elects an alternate form of payment under Section XVII in accordance with procedures established by Concordia Plan Services. The Member's Late Retirement Date shall constitute the Member's Primary Benefit Commencement Date.

10.4. In-Service benefit payments.

- a) In-Service Benefit payments during continued employment. If a Member is a Worker, or a Transferred Member as defined in SECTION IV of the Plan, beyond the Member's sixty-fifth (65th) birthday and the Member has five years of Creditable Service as of June 30, 2014, the Member may elect to begin payment of the portion of the Member's monthly Primary Benefit that had accrued through June 30, 2014 ("In-Service Benefit") on the first day of any month following the Member's sixty-fifth (65th) birthday. The In-Service Benefit will be determined based on the Member's Creditable Service, Final Average Monthly Compensation and Covered Compensation as of June 30, 2014. The In-Service Benefit will be paid as a monthly benefit equal to the amount that would be payable to such Member under a joint-and-70% survivor annuity and will begin as soon as administratively feasible after receipt by Concordia Plan Services of properly completed forms or other established process required for this purpose. Payment of the In-Service Benefit shall cease with the payment made for the month during which the Member terminates employment or ceases to be a Worker, whichever occurs first. The amount of the subsequent accrued Primary Benefit payable to such Member shall be recalculated as of the end of the calendar month in which the Member terminates employment or ceases to be a Worker based on Final Average Monthly Compensation, Creditable Service, and Covered Compensation in effect on that date. The subsequent Primary Benefit shall be reduced by the Actuarial Equivalent of all In-Service Benefits received, but shall never be less than the accrued Primary Benefit the Member would have received if the Member had retired on the date the In-Service Benefit commenced unless there is a prior benefit overpayment to be recouped by the Plan. Such benefit shall be paid in the Automatic Form unless the Member elects an alternate form of payment under Section XVII in accordance with procedures established by Concordia Plan Services. The newly determined amount shall be payable commencing on the first day of the month which coincides with or next follows the date such Member ceases to be a Worker, or the Member's Normal Retirement Date, if later. Such date shall constitute the Primary Benefit Commencement Date for the Retired Member.
- b) In-Service Benefit payments upon reemployment of a Member after Primary Benefit Commencement Date. If a Member has commenced the Primary Benefit and later

becomes a Worker, the Member's Primary Benefit shall cease and the Member may elect to commence the In-Service Benefit under 10.4 a) provided the Member has attained age sixty-five (65). However, the In-Service Benefit may continue to be paid in the same form of payment as the Primary Benefit was being paid. The In-Service Benefit will begin as soon as administratively feasible after receipt by Concordia Plan Services of properly completed forms or other established process required for this purpose. Payment of the In-Service Benefit shall cease with the payment made for the month during which the Member terminates employment or ceases to be a Worker, whichever occurs first. The subsequent Primary Benefit shall be recalculated as of the end of the calendar month in which the Member terminates employment or ceases to be a Worker based on Final Average Monthly Compensation, Creditable Service, and Covered Compensation in effect on that date. The newly-determined amount shall be payable commencing on the first day of the month which coincides with or next follows the date such Member ceases to be a Worker, or the Member's Normal Retirement Date, if later. Such benefit shall be paid in the Automatic Form unless the Member elects an alternate form of payment under SECTION XVII in accordance with procedures established by Concordia Plan Services. Such accrued Primary Benefit shall be reduced by the Actuarial Equivalent of all In-Service and Primary Benefits previously received, but shall never be less than the actuarial equivalent of the Member's accrued Primary Benefit immediately prior to reemployment unless there is a prior benefit overpayment to be recouped by the Plan.

10.5. Special rules for Members with Retirement Cash Accounts. Notwithstanding the foregoing, a Member for whom a Retirement Cash Account has been established under SECTION XIII of the Plan is not entitled to any benefit under this SECTION X, except for any Member who has a Retirement Cash Account and who also has been employed for one or more Employer(s) with which the Member has accrued a Primary Benefit which shall be computed based solely on the Member's Creditable Service for the Employers(s) with which the Member has accrued a Primary Benefit. Notwithstanding the foregoing, in calculating the amount of the Primary Benefit, Final Average Monthly Compensation shall be computed in accordance with Subsection 1.22.

SECTION XI

SUPPLEMENTAL RETIREMENT ACCOUNT

11.1. Supplemental Retirement Account. A Supplemental Retirement Account shall be established for each person who is a Member of the Plan on January 1, 1999, or becomes a Member after that date but prior to July 1, 2014, other than (a) a person who is a Transferred Member on January 1, 1999, and (b) a Member who retired on or before December 31, 1997. Notwithstanding clause (a) of the preceding sentence, a Supplemental Retirement Account shall be established for each person who, on January 1, 1999, was a Transferred Member in the service of or employed by The Lutheran Church—Canada.

This Supplemental Retirement Account shall be a bookkeeping record only, and not a separate trust or investment account, and shall report all compensation credits, interest credits, and distributions with respect to such Member.

- a) Compensation credits. Each Member, other than a Transferred Member in the service of or employed by The Lutheran Church—Canada, for whom a Supplemental Retirement Account is established on January 1, 1999, shall receive an initial credit to such account equal to one and one-half percent (1.5%) of such Member's annual rate of Compensation as of January 1, 1998, multiplied by such Member's years and twelfths of Creditable Service as of December 31, 1998. In the case of a Transferred Member in the service of or employed by The Lutheran Church—Canada, the initial credit to such account shall be determined by using in the foregoing formula such person's Compensation as used for billing purposes of the Plan immediately prior to the date such person became a Transferred Member, increased by three percent (3%) per year, compounded annually for each full year from the date of transfer through and including December 31, 1998. Notwithstanding the foregoing, any Creditable Service for which a lump-sum payment has been previously made to the Member shall not be included in determining the initial credit to the Member's Supplemental Retirement Account.

Thereafter, as of each December 31 beginning December 31, 1999, and ending December 31, 2013, while a Member is accruing Creditable Service, each Member's Supplemental Retirement Account shall be credited with an amount equal to one and one-half percent (1.5%) of such Member's annual rate of Compensation as of January 1 of the calendar year ending that December 31. Any Member who has accrued Creditable Service through June 30, 2014, shall receive a credit to such Member's Supplemental Retirement Account equal to three-quarters of one percent (.75%) of such Member's annual rate of Compensation as of January 1, 2014, for Creditable Service accrued in 2014. However, if a Member's annual rate of Compensation changes during a calendar year prior to July 1, 2014, because of a concurrent change in employment or duties, the Compensation to be used in establishing the credit to such Member's Supplemental Retirement Account shall be the new annual rate of Compensation resulting from such change in employment or duties.

If the employment of a Member having five (5) or more years of Creditable Service terminates prior to July 1, 2014, for any reason on a date other than December 31, such Member's Supplemental Retirement Account shall be credited as of such termination date with an amount equal to one and one-half percent (1.5%) of such Member's annual rate of Compensation as of January 1 of the partial year ending on such termination date, prorated for the number of full calendar months from the beginning of the year through (and including) such Member's termination date.

In the case of a reenrolled or newly enrolled Member, the Compensation to be used in establishing the credit to such Member's Supplemental Retirement Account for the year in which the Supplemental Retirement Account is established shall be the annual rate of Compensation on which contributions to the Plan were based during such year, prorated for the number of full calendar months from the establishment of the Member's Supplemental Retirement Account through December 31 of such year, but only through June 30, 2014, for Members who are reenrolled or newly enrolled in the Plan on or after January 1, 2014.

- b) Interest credits. As of each December 31 (or as of the date of termination of employment in the case of a Vested Member), each Supplemental Retirement Account shall receive an interest credit determined by multiplying the balance in such account at the beginning of the year (that is, January 1, 2019, in the case of the interest credit to be made as of December 31, 2019) by the average yield rate of five-year U.S. Treasury constant rate maturity notes during August of the preceding year (that is, August 2019 in the case of the interest credit to be made December 31, 2020), as published in Statistical Release H.15 of the Board of Governors of the U.S. Federal Reserve System.

In any instance in which distribution of the balance in the Supplemental Retirement Account is to be made, the balance in such account prior to such distribution shall receive an interest credit determined by multiplying the balance in such account at the beginning of the calendar year by the crediting rate described in the immediately preceding paragraph, prorated for the number of full calendar months from the beginning of the year through the end of the calendar month preceding the date of distribution.

Notwithstanding the foregoing, no Supplemental Retirement Account from which payments in the annuity form are being made to a Member shall receive an interest credit.

- c) Source of credits. Compensation credits and interest credits shall be hypothetical credits only, and there shall be no segregation of assets. Distributions from the Supplemental Retirement Accounts shall be charged against the general Trust fund of the Plan.

11.2. Payment of the Supplemental Retirement Account. The Supplemental Retirement Account shall be paid as follows:

- a) Payments to a Retired Member. The Supplemental Retirement Account shall be paid to a Retired Member in one of the optional methods of payment described in Subsection 17.3, commencing as soon as administratively feasible after receipt by Concordia Plan Services of properly completed forms for this purpose.

A Retired Member who has not attained Normal Retirement Age may defer distribution of the Supplemental Retirement Account; provided, however, if the Retired Member does not notify Concordia Plan Services by the Member's birthday in the year in which the Member attains Normal Retirement Age, on the form provided by Concordia Plan Services, of the payment option selected, the Member's Supplemental Retirement Account shall be distributed to the Member in a single, lump-sum payment.

- b) Payments to a Vested Terminated Member. The entire amount credited to a Vested Terminated Member's Supplemental Retirement Account may be paid in a single, lump-sum payment to such Member.

A Vested Terminated Member who has not attained Normal Retirement Age may defer distribution of the Supplemental Retirement Account by notifying Concordia Plan Services in writing at the time of the Member's termination; provided, however, if the Vested Terminated Member does not notify Concordia Plan Services by the Member's birthday in the year in which the Member attains Normal Retirement Age, on the form provided by Concordia Plan Services, of the payment option selected, the Member's Supplemental Retirement Account shall be distributed to the Member in a single, lump-sum payment. Notwithstanding the foregoing, payment in any method other than a lump sum may be elected only on or after the Vested Terminated Member's fifty-fifth (55th) birthday.

11.3. Payment of the Supplemental Retirement Account on death of an active Member.

- a) If, prior to becoming a Retired Member, a Member dies prior to earning five (5) years of Creditable Service in the Plan, no benefit shall be payable from the Supplemental Retirement Account.
- b) If, prior to becoming a Retired Member, a Member dies after earning at least five (5) years of Creditable Service in the Plan, the Member's surviving Spouse or Qualified Relative shall be eligible to receive the Member's Supplemental Retirement Account in one of the following ways, commencing as soon as administratively feasible after receipt by Concordia Plan Services of properly completed forms for this purpose. Notwithstanding the foregoing, payment in any form other than a lump sum may be elected only on or after the date the deceased Member would have attained age fifty-five (55).
 - i) Lump-sum form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Supplemental Retirement Account in a single, lump-sum payment; provided, however, that payment shall be distributed no later than the first day of the calendar month following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age, and the lump-sum form is elected by the surviving Spouse or Qualified Relative, the lump-sum payment shall be distributed no later than sixty (60) days following receipt by Concordia Plan Services of proof of the Member's death.
 - ii) Life-only form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Actuarial Equivalent of the Supplemental Retirement Account in monthly installments as a life-only annuity, commencing as of the first day of the month coinciding with or next following the date the deceased Member would have attained age fifty-five (55), or any date thereafter but no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age and the annuity form is elected by the surviving Spouse or Qualified Relative, distribution of the annuity shall commence as of the first day of the first calendar month following the Member's death.

iii) Ten-year certain and life form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Supplemental Retirement Account as an annuity with the payment of a specified amount each month for the lifetime of the surviving Spouse or Qualified Relative, with a minimum period of ten (10) years of payments guaranteed. Distribution of monthly benefit payments under this option will begin in accordance with administrative procedures established by Concordia Plan Services as described in Subsection 17.7 and the monthly payment amount will be fixed at the time payment commences and is not subject to change for any reason, as the Actuarial Equivalent of a life-only annuity, commencing as of the first day of the month coinciding with or next following the date the deceased Member would have attained age fifty-five (55) or any date thereafter but no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. In the event the surviving Spouse or Qualified Relative dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the beneficiary(ies) designated by the Spouse or Qualified Relative. subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the surviving Spouse's or Qualified Relative's death, or if the designated beneficiary(ies) predeceased the surviving Spouse or Qualified Relative, the lump-sum amount shall be distributed to the estate of the surviving Spouse or Qualified Relative.

c) Notwithstanding the foregoing, if the deceased Member does not have a surviving Spouse or Qualified Relative, or if the deceased Member's surviving Spouse or Qualified Relative has provided a signed consent, the entire amount credited to the Member's Supplemental Retirement Account shall be paid to the beneficiary(ies) designated by the Member subject to Subsection 15.5. Such beneficiary designation must be made on a form prescribed by, and filed with, Concordia Plan Services or in accordance with other administrative procedures then in effect. If no beneficiary(ies) has been designated or if such beneficiary(ies) predeceases the Member, the Member's Supplemental Retirement Account shall be distributed in a single, lump-sum payment to the same beneficiary(ies) designated by the Member for the death benefit payable from the Concordia Disability and Survivor Plan, or if none has been designated, to the Member's estate.

11.4. Payment of the Supplemental Retirement Account on death of a Retired Member. Upon the death of a Retired Member who has not yet begun to receive payment from the Supplemental Retirement Account, the Member's surviving Spouse or Qualified Relative shall be eligible to receive the Member's Supplemental Retirement Account in one of the following ways, commencing as soon as administratively feasible after receipt by Concordia Plan Services of properly completed forms for this purpose.

a) Lump-sum form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Supplemental Retirement Account in a single, lump-sum payment; provided, however, that payment shall be distributed as of a date no later than the first day of the month following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age and the lump-sum form is elected by the surviving Spouse or Qualified Relative, the lump-sum payment shall be distributed no later than sixty (60) days following receipt by Concordia Plan Services of proof of the Member's death.

- b) Life-only form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Actuarial Equivalent of the Supplemental Retirement Account in monthly installments as a life-only annuity, commencing no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age and the annuity form is elected by the surviving Spouse or Qualified Relative, distribution of the annuity shall commence as of the first calendar month following the Member's death.

- c) Ten-year certain and life form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Supplemental Retirement Account as an annuity with the payment of a specified amount each month for the lifetime of the surviving Spouse or Qualified Relative, with a minimum period of ten (10) years of payments guaranteed. Distribution of monthly benefit payments under this option will begin in accordance with administrative procedures established by Concordia Plan Services as described in Subsection 17.7 and the monthly payment amount will be fixed at the time payment commences and is not subject to change for any reason, as the Actuarial Equivalent of a life-only annuity, commencing no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. In the event the surviving Spouse or Qualified Relative dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the beneficiary(ies) designated by the Spouse or Qualified Relative. subject to Subsection 15.5 If there is no beneficiary designation on file with Concordia Plan Services at the date of the surviving Spouse's or Qualified Relative's death, or if the designated beneficiary(ies) predeceased the surviving Spouse or Qualified Relative, the lump-sum amount shall be distributed to the estate of the surviving Spouse or Qualified Relative.

Notwithstanding the foregoing, if the deceased Retired Member does not have a surviving Spouse or Qualified Relative, or if the deceased Retired Member's surviving Spouse or Qualified Relative has provided a signed consent, the entire amount credited to the Member's Supplemental Retirement Account shall be paid in a single, lump-sum payment to the Member's named beneficiary(ies) subject to Subsection 15.5. If no beneficiary(ies) has been designated in writing to Concordia Plan Services, or if such beneficiary(ies) predeceases the Member, the Member's Supplemental Retirement Account shall be distributed in a single, lump-sum payment to the Member's estate.

11.5. Payment of the Supplemental Retirement Account on death of a Vested Terminated Member. Upon the death of a Vested Terminated Member, the Member's surviving Spouse or Qualified Relative shall be eligible to receive the Member's Supplemental Retirement Account in one of the following ways, commencing as soon as administratively feasible after receipt by Concordia Plan Services of properly completed forms for this purpose. Notwithstanding the foregoing, payment in any form other than a lump sum may be elected only on or after the date the deceased Member would have attained age fifty-five (55).

- a) Lump-sum form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Supplemental Retirement Account in a single, lump-sum payment; provided, however, that payment shall be distributed as of a date no later than the first day of the calendar month following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age, and the lump-sum form is elected by the surviving Spouse or Qualified Relative, the lump-sum payment shall be

distributed no later than sixty (60) days following receipt by Concordia Plan Services of proof of the Member's death.

- b) Life-only form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Actuarial Equivalent of the Supplemental Retirement Account in monthly installments as a life-only annuity, commencing as of the first day of the calendar month coinciding with or next following the date the deceased Member would have attained age fifty-five (55), or any date thereafter but no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age and the annuity form is elected by the surviving Spouse or Qualified Relative, distribution of the annuity shall commence as of the first calendar month following the Member's death.

- c) Ten-year certain and life form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Supplemental Retirement Account as an annuity with the payment of a specified amount each month for the lifetime of the surviving Spouse or Qualified Relative, with a minimum period of ten (10) years of payments guaranteed. Distribution of monthly benefit payments under this option will begin in accordance with administrative procedures established by Concordia Plan Services as described in Subsection 17.7 and the monthly payment amount will be fixed at the time payment commences and is not subject to change for any reason, as the Actuarial Equivalent of a life-only annuity, commencing as of the first day of the month coinciding with or next following the date the deceased Member would have attained age fifty-five (55) or any date thereafter but no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. In the event the surviving Spouse or Qualified Relative dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the beneficiary(ies) designated by the Spouse or Qualified Relative. subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the surviving Spouse's or Qualified Relative's death, or if the designated beneficiary(ies) predeceased the surviving Spouse or Qualified Relative, the lump-sum amount shall be distributed to the estate of the surviving Spouse or Qualified Relative.

Notwithstanding the foregoing, if the deceased Member does not have a surviving Spouse or Qualified Relative, or if the deceased Member's surviving Spouse or Qualified Relative has provided a signed consent, the entire amount credited to the Member's Supplemental Retirement Account shall be distributed in a single, lump-sum payment to the Member's named beneficiary(ies) subject to Subsection 15.5. If no beneficiary(ies) has been designated in writing to Concordia Plan Services, or if such beneficiary(ies) predeceases the Member, the Member's Supplemental Retirement Account shall be distributed in a single, lump-sum payment to the Member's estate.

11.6. Reenrollment after a period of termination. A former Member who has received a lump-sum payment of that Member's prior Supplemental Retirement Account, and who subsequently again becomes a Member of the Plan, shall not be permitted to repay such lump-sum distribution to the Plan. However, the Member's prior Creditable Service shall be reinstated only for the purpose of determining entitlement to subsequent benefits under the Plan.

11.7. Special rules for Members on leave of absence. The following special rules shall be applicable for purposes of computing the Supplemental Retirement Account of Members on leave of absence as described in SECTION V of the Plan:

- a) Educational leaves granted by Concordia Plan Services. The Supplemental Retirement Account of a Member who is on an educational leave granted by Concordia Plan Services shall not receive any compensation credits during such leave but shall continue to receive interest credits.
- b) Leaves granted by Employer. While a Member is on a leave of absence granted by the Employer, the Member's Supplemental Retirement Account will continue to receive (i) compensation credits through June 30, 2014, pursuant to Subsection 11.1 a) and (ii) interest credits, pursuant to Subsection 11.1 b).
- c) Leaves for governmental service. While a Member is on a leave of absence for governmental service, the Member's Supplemental Retirement Account shall continue to receive (i) compensation credits through June 30, 2014, pursuant to Subsection 11.1 a) and (ii) interest credits, pursuant to Subsection 11.1 b).
- d) Payment of Supplemental Retirement Account. No payment of the Supplemental Retirement Account shall be made to the Member while such Member is on a leave of absence.

11.8. Special rules for Disabled Members. A Disabled Member shall be considered to be an active Worker for Supplemental Retirement Account purposes, and during the period of Disability such Disabled Member's Supplemental Retirement Account shall receive compensation credits through June 30, 2014, pursuant to Subsection 11.1 a) and interest credits pursuant to Subsection 11.1 b). For purposes of computing the compensation credits, the Disabled Member shall be treated as having received annual Compensation in an amount equal to the annual Compensation when the Disability commenced, increased by three percent (3%) on each January 1 while the Disability continues, starting with the first January 1 coinciding with or immediately following one full year of continuous Disability, measured from the date on which Disability commenced.

11.9. Special rules for late retirements. Except as described in Subsection 6.4(c), the Supplemental Retirement Account shall not be payable to a Member who continues in active service as a Worker after the Normal Retirement Date even though such Member may receive an In-Service Benefit pursuant to Subsection 10.4. The Supplemental Retirement Account shall become payable only on such Member's Late Retirement Date or death, if earlier.

11.10. Special rules for non-vested Inactive Members. A Worker who terminates membership as a Worker in the Plan on or after January 1, 1999, and has not been a Member at least five (5) years shall not be entitled to receive payment from the Member's Supplemental Retirement Account, if any, under the Plan. However, if the Inactive Member again becomes a Worker and is enrolled in the Plan, the Supplemental Retirement Account of such Member will be reinstated in an amount equal to the account balance in effect at the time the Member previously terminated, but no interest credits shall be applied for the period between the date of termination and the date of the Inactive Member's reenrollment as a Worker.

11.11. Former Members reemployed prior to December 31, 1999. A former Member who again becomes a Worker and participates in the Plan prior to December 31, 1999, shall have established a Supplemental Retirement Account, as in the case of any newly-employed Member. In addition, if such former Member's membership in the Plan had terminated after January 1, 1998, such Member shall receive an initial compensation credit pursuant to Subsection 11.1 a) equal to one and one-half percent (1.5%) of the Member's annual rate of Compensation in effect for the calendar year 1998, multiplied by such Member's years and twelfths of Creditable Service in the Plan as December 31, 1998; provided, however, that such Member must remain a Worker and participate in the Plan for at least

sixty (60) consecutive calendar months following the date the former Member is again a Member of the Plan, otherwise the initial compensation credit to the Member's Supplemental Retirement Account, and the interest credits thereon, will be voided.

11.12. Special rules for Members with Retirement Cash Accounts. Notwithstanding the foregoing, a Member, Spouse or Qualified Relative, Dependent Child, or beneficiary who is entitled to a benefit under SECTION XIII is not entitled to a benefit under this SECTION XI, except if a Member has a Retirement Cash Account and has been employed for one or more Employer(s) that established a Supplemental Retirement Account for the Member, then the Member, Spouse or Qualified Relative, Dependent Child, or beneficiary shall be entitled to receive any benefits earned in accordance with this SECTION XI while the Member was employed by the Employer(s) providing the Supplemental Retirement Account.

SECTION XII

RETIREE MEDICAL SUPPLEMENT

12.1. Purpose. The Retiree Medical Supplement provided by this SECTION XII is to provide additional income to those Retired Members who satisfy the eligibility requirements of Subsection 12.3, to offset a portion of the costs of medical care and prescription drugs. While this is the purpose of the Retiree Medical Supplement, there is no actual or implied limitation on use of the Retiree Medical Supplement benefit by the recipient.

12.2. Definitions and rules of interpretation. In addition to terms defined in SECTION I, the following terms, whether or not capitalized, shall have the following meanings when used Herein:

- a) “Eligible Opt-Out” shall mean, solely for purposes of determining eligibility for the Retiree Medical Supplement, a Member who has declined enrollment in, or who is ineligible to participate in, the Concordia Health Plan in accordance with administrative guidelines approved by the Board of Trustees.
- b) “Initial Eligibility Date” shall mean the first date on or after January 1, 2006, on which i) a Member’s Employer participates in all four of the Required Plans and signs a Joinder Agreement, and ii) the Member participates in the Concordia Health Plan or is an Eligible Opt-out.
- c) “Initial Service Credits” shall mean the aggregate of years and twelfths credited to the Member pursuant to Subsection 12.6.
- d) “RMS Service Credits” shall mean the aggregate of years and twelfths of membership during which the Member meets the applicable requirements of Subsection 12.5.
- e) “Required Plans” shall mean the Concordia Retirement Plan, the Concordia Health Plan, the Concordia Disability and Survivor Plan, and the Concordia Retirement Savings Plan except, however, for those Employers exempted from participation in the Concordia Retirement Savings Plan through administrative guidelines adopted by the Board of Trustees.

12.3. Eligibility to receive payment of the Retiree Medical Supplement.

- a) In order to receive payment of the Retiree Medical Supplement, an eligible Member must be age sixty (60) or older and have at least one hundred eighty (180) months of Creditable Service (which need not be consecutive) for purposes of the Concordia Retirement Plan at the time of retirement or other termination of employment. Members who retired prior to reaching age sixty (60) and Vested Terminated Members reemployed by a participating Employer during calendar year 2005 or 2006 must accumulate at least twenty-four (24) consecutive months of Creditable Service after such reemployment in order to receive payment of the Retiree Medical Supplement upon subsequent retirement.
- b) As an alternative to the eligibility requirements in paragraph a) above, a Member whose age and Creditable Service, when stated in years and twelfths, aggregate eighty-five (85) or more, with Creditable Service of at least one hundred eighty (180) months, will be eligible to receive payment of the Retiree Medical Supplement commencing at the time of retirement (regardless of age) or at such later date as the Member may specify in a written election delivered to Concordia Plan Services.

- c) A Member who retired during calendar year 2006 at age sixty (60) or older with at least one hundred eighty (180) months of Creditable Service under the Concordia Retirement Plan, at a time when the Member's Employer had not adopted all four of the Required Plans, shall nevertheless be entitled to receive a Retiree Medical Supplement commencing as of the date—which shall be the Member's initial eligibility date—on which the Employer does adopt all four of the Required Plans, as long as such adoption is effective on or before January 1, 2007. The amount of the Member's Retiree Medical Supplement shall be determined as of the Member's initial eligibility date as if that date had been the Member's retirement date, but no RMS Service Credits shall be earned for the period between such retirement date and initial eligibility date.
- d) Notwithstanding the foregoing, a Worker who retires from or otherwise terminates employment with an Employer that is not participating in all of the Required Plans shall be ineligible to receive payment of the Retiree Medical Supplement unless either:
 - i) such Employer is participating in all of the Required Plans except the Concordia Health Plan and either such Worker was enrolled in the Concordia Health Plan immediately prior to the time of retirement or other termination of employment or was enrolled in or an Eligible Opt-Out in the Concordia Health Plan and met the requirements of Subsection 12.3 d) ii) A) or B) immediately prior to the time the Employer was considered to have withdrawn from the Concordia Health Plan, or
 - ii) such Worker had previously been employed by an Employer that was participating in all of the Required Plans and at the time of termination of employment with the Employer participating in all of the Required Plans the Worker was enrolled in or an Eligible Opt-Out in the Concordia Health Plan and either:
 - A) was age sixty (60) or older and had at least one hundred eighty (180) months of Creditable Service (which need not be consecutive); or
 - B) met the alternative eligibility requirement described in Subsection 12.3 b) of an aggregate eighty-five (85) or more when combining such Worker's age and Creditable Service, stated in years and twelfths, with Creditable Service of at least one hundred eighty (180) months.

12.4. Amount of Retiree Medical Supplement. The Retiree Medical Supplement is the amount determined as follows:

- a) For a Member other than a Member who retired before January 1, 2006, the amount is determined by multiplying, at the time employment as a Worker ceases, i) the Member's total years and twelfths of service credits (RMS Service Credits plus Initial Service Credits) accrued through June 30, 2014, by ii) five hundred dollars (\$500).
- b) For a Member who retired before January 1, 2006, either i) at age fifty-nine (59) or older, with years of Creditable Service under the Concordia Retirement Plan and years of "Service in the Synod" under the Pension Plan for Pastors and Teachers which, in any combination, aggregate one hundred sixty-eight (168) months or ii) whose age and Creditable Service, when stated in years and twelfths, under the Concordia Retirement Plan and years of "Service in the Synod" under the Pension Plan for

Pastors and Teachers aggregate eighty-five (85) or more, with Creditable Service and years of "Service in the Synod" of at least one hundred sixty-eight (168) months, and in either case who, on January 1, 2006, was receiving a Primary Benefit from the Concordia Retirement Plan, the amount is determined by multiplying A) the total of such years of Creditable Service and "Service in the Synod" by B) five hundred dollars (\$500). The amount so calculated will be paid in the form of a monthly annuity in accordance with Subsection 17.4 commencing January 1, 2006.

If a Member retired between June 30, 2005, and January 1, 2006, and at any time during calendar year 2006 is again employed by the Employer from which the Member retired, the Member A) shall forfeit all rights to the Retiree Medical Supplement, including all Initial Service Credits, and B) shall refund the full amount of Retiree Medical Supplement payments received prior to reemployment, unless at the time of reemployment the Employer is participating in all four of the Required Plans and the Member participates in the Concordia Health Plan or is an Eligible Opt-Out. If the Member does not refund the payments as required by the preceding sentence, the unrepaid amount will be deducted from any amount subsequently payable to the Member under the Plan.

- c) For a Member who retired before January 1, 2006, either i) at age fifty-nine (59) or older with at least one hundred sixty-eight (168) months of Creditable Service under the Concordia Retirement Plan or ii) whose age and Creditable Service, when stated in years and twelfths, aggregate eighty-five (85) or more, with Creditable Service of at least one hundred sixty-eight (168) months, but who was not receiving a Primary Benefit from such Plan, the amount is determined by multiplying A) all years of such Creditable Service by B) five hundred dollars (\$500). The amount so calculated will be reported to such Member, stated in the form of a monthly annuity in accordance with Subsection 17.4, and the Member may then elect either to have payment of the annuity begin immediately, regardless of age in the case of a Member described in clause ii), or at such later date as the Member may specify in a written election delivered to Concordia Plan Services.

12.5. RMS Service Credits. An eligible Member will accrue RMS Service Credits at the rate of one-twelfth of a credit for each full calendar month of Creditable Service following the Member's Initial Eligibility Date through June 30, 2014, subject to the following:

- a) Eligible Members at January 1, 2007. An eligible Member whose initial eligibility date is on or before January 1, 2007, will accrue RMS Service Credits from the later of such Member's initial eligibility date or January 1, 2006.
- b) Members on educational leave. An eligible Member who is on educational leave in accordance with Subsection 5.1 will accrue RMS Service Credits based on Creditable Service (if any) accrued under Subsection 5.1 for such Member through June 30, 2014, during such leave, provided that within one (1) year after termination of such leave, the Member i) is employed by an Employer that participates in all of the Required Plans and ii) enrolls in the Concordia Health Plan when first eligible or is an Eligible Opt-Out.
- c) Members on Employer-granted leave of absence. A Member who is on a leave of absence granted by the Employer in accordance with Subsection 5.2 will accrue RMS Service Credits based on Creditable Service accrued through June 30, 2014, during such absence, provided that i) the Employer participates in all of the Required Plans

and ii) the Member is either enrolled in the Concordia Health Plan or is an Eligible Opt-Out.

- d) Members on leave for governmental service. An eligible Member who is on a leave for governmental service in accordance with Subsection 5.3 will accrue RMS Service Credits based on Creditable Service accrued through June 30, 2014, under Subsection 5.3 for such Member during such leave provided that, upon termination of the leave, the Member i) is employed within ninety (90) days by an Employer that participates in all of the Required Plans and ii) enrolls in the Concordia Health Plan when first eligible, or is an Eligible Opt-Out.
- e) Disabled Members. A Disabled Member will accrue RMS Service Credits through June 30, 2014, while Disabled, if such Member was earning RMS Service Credits at the time the Disability commenced, as long as such Disabled Member is accruing Creditable Service under the Plan in accordance with the terms of the Plan; provided, however, that if such Member's Employer withdraws from any of the Required Plans during the first three (3) years of Disability, no additional RMS Service Credits will accrue after the date of such withdrawal.
- f) Transfer of employment between Employers. A Member, including a Member who is on leave of absence, who leaves the service of an Employer and who, within three (3) calendar months thereafter, becomes a Worker with the same or another Employer that participates in all of the Required Plans will continue to accrue RMS Service Credits through June 30, 2014, for service with the new Employer retroactive to the date of leaving the former Employer, but if the new Employer does not participate in all of the Required Plans, RMS Service Credits will cease to accrue as of the earlier (i) June 30, 2014, and (ii) the last day of the month in which such Member ceased to be employed by the former Employer.
- g) Members receiving In-Service Benefits. A Member who is receiving an In-Service Benefit in accordance with Subsection 10.4 shall earn RMS Service Credits through June 30, 2014, as long as employed by an Employer that participates in all of the Required Plans.
- h) Termination of RMS Service Credit Accrual. In no event shall RMS Service Credits be accrued after June 30, 2014, by any Member.

12.6. Initial Service Credits. In addition to RMS Service Credits, eligible Members shall receive Initial Service Credits in accordance with the provisions set out below:

- a) Initial grant. Members whose initial eligibility date is on or before January 1, 2007, will receive one-twelfth (1/12th) of an Initial Service Credit for each full calendar month of Creditable Service previously earned under the Concordia Retirement Plan. An eligible Member who is receiving an In-Service Benefit on or before January 1, 2007, in accordance with Subsection 10.4 will receive Initial Service Credits if:
 - i) such Worker's Employer is participating in all of the Required Plans on January 1, 2006, or becomes a participant in all such Required Plans on or before January 1, 2007, or
 - ii) such Worker on January 1, 2006, had at least one hundred eighty (180) months of Creditable Service in the Plan.

- b) Forfeiture of credits. Initial Service Credits are subject to forfeiture if the Member's Employer withdraws from any one of the Required Plans prior to having completed five (5) full years of participation in all of the Required Plans after January 1, 2006.
- i) A Member who was employed by a withdrawn Employer on January 1, 2006, or such later date on or before January 1, 2007, as the Employer becomes a participant in all of the Required Plans, will forfeit all Initial Service Credits unless at the time of the Employer's withdrawal such Member was at least age sixty (60) and had at least one hundred eighty (180) months of Creditable Service under the Concordia Retirement Plan, or whose age and Creditable Service, when stated in years and twelfths, aggregate eighty-five (85) or more, with Creditable Service of at least one hundred eighty (180) months.
 - ii) A Member who was first employed by such withdrawn Employer after it had become a participant in all of the Required Plans but who had accumulated Initial Service Credits from previous service with another Employer will forfeit all Initial Service Credits unless at the time of the Employer's withdrawal such Member was at least age sixty (60) and had at least one hundred eighty (180) months of Creditable Service under the Concordia Retirement Plan, or whose age and Creditable Service, when stated in years and twelfths, aggregate eighty-five (85) or more, with Creditable Service of at least one hundred eighty (180) months.
 - iii) A Member who was employed by such withdrawn Employer on January 1, 2006, or such later date on or before January 1, 2007, as the Employer becomes a participant in all of the Required Plans, and who ceased to be employed by that Employer prior to its withdrawal from one or more of the Required Plans, shall not forfeit any Initial Service Credit.
- c) Readoption by a withdrawn Employer. If an Employer that has withdrawn from one or more of the Required Plans again participates in all of the Required Plans before the expiration of six (6) months from its withdrawal date, all Initial Service Credits previously forfeited will be restored to the affected Members, but will remain subject to future forfeiture in accordance with paragraph b) above.
- d) Employers which cease activities. An Employer that ceases all activities and dissolves as a legal entity or, though continuing to exist as a legal entity, ceases to have at least one employee shall not be considered to have withdrawn from the Required Plans, and all Members who ceased to be employed by it as a consequence of its cessation of activities shall retain their Initial Service Credits. A Member who ceased to be employed by such an Employer at any time during the period beginning ninety (90) days prior to its cessation of all activities will be considered to have ceased to be employed as a consequence of such cessation.
- e) Meaning of term "withdrawn". An Employer shall be considered to have withdrawn from any of the Required Plans if it ceases to participate in any or all of the Required Plans for any reason, whether voluntary withdrawal or otherwise.
- f) Notwithstanding the foregoing, any Creditable Service for which a lump-sum payment has been previously paid to the Member shall not be included in determining the initial Service Credit to the Member's Retiree Medical Supplement account.

12.7. Special rules for certain Members. Members who have a special status shall receive Initial Service Credits in accordance with the following provisions:

- a) Members on Employer-granted leave. Members who, on January 1, 2006, are on a leave of absence granted by their Employer in accordance with Subsection 5.2, and such Employer becomes a participant in all of the Required Plans on or before January 1, 2007, shall receive Initial Service Credits as if employed by such Employer on January 1, 2006.
- b) Members on educational leave. If a Member who, on January 1, 2006, is on an educational leave in accordance with Subsection 5.1 returns to the employ of an Employer within one (1) year after termination of the leave and such Employer is participating in all of the Required Plans, such Member shall receive Initial Service Credits as if employed by such Employer on January 1, 2006, provided that the Member is enrolled in the Concordia Health Plan or is an Eligible Opt-Out.
- c) Members on leave for governmental service. If a Member who, on January 1, 2006, is on a leave for governmental service in accordance with Subsection 5.3 subsequently returns to the employ of an Employer within ninety (90) days after termination of the leave, and such Employer is participating in all of the Required Plans, such Member shall receive Initial Service Credits only if the Member enrolls in the Concordia Health Plan when first eligible or is an Eligible Opt-Out.
- d) Disabled Members. If a Disabled Member:
 - i) who is Disabled on January 1, 2006, and recovers from Disability, becomes employed by an Employer that participates in all of the Required Plans and enrolls in the Concordia Health Plan when first eligible, such Member shall receive Initial Service Credits as if employed by such Employer on January 1, 2006;
 - ii) who is Disabled on January 1, 2006, retires without returning to work and, at the time of retirement, has reached age sixty (60) and accumulated one hundred eighty (180) months of Creditable Service under the Concordia Retirement Plan, or whose age and Creditable Service, when stated in years and twelfths, aggregate eighty-five (85) or more, with Creditable Service of at least one hundred eighty (180) months, such Member shall receive Initial Service Credits as if employed by an Employer that participates in all of the Required Plans;
 - iii) has accumulated Initial Service Credits and at the time such Disability began was employed by an Employer that later withdraws from one or more of the Required Plans within five (5) years after first joining all of the Required Plans, such Member shall forfeit all Initial Service Credits unless at the time of such withdrawal the Member:
 - A) was at least age sixty (60) and had one hundred eighty (180) months or more of Creditable Service under the Concordia Retirement Plan, or
 - B) had age and Creditable Service, when stated in years and twelfths, aggregate eighty-five (85) or more, with Creditable Service of at least one hundred eighty (180) months, or

C) had been Disabled for at least three (3) years,

in any of which cases such Initial Service Credits shall continue to be credited to such Member, subject, however, to Subsection 12.6 b).

12.8. Payment of Retiree Medical Supplement. Subject to Subsection 12.3, the Retiree Medical Supplement shall be paid after termination of employment in one of the optional methods of payment described in Subsection 17.4 in accordance with procedures adopted by Concordia Plan Services.

A Member who has terminated employment but who has not attained Normal Retirement Age may defer distribution of the Retiree Medical Supplement; provided, however, that if the Member does not notify Concordia Plan Services by the Member's birthday in the year in which the Member attains Normal Retirement Age, on the form provided by Concordia Plan Services, of the payment option selected, the Member's Retiree Medical Supplement shall be distributed to the Member in a single, lump-sum payment.

A specification of the form of payment of a Member's Retiree Medical Supplement shall be irrevocable upon distribution of such benefit, in whole or in part.

12.9. Retiree Medical Supplement payable on death of a Member. If a Member who would have been entitled to receive payment of a Retiree Medical Supplement upon retirement dies (a) prior to attaining age sixty (60), and while earning Creditable Service, but after completing one hundred eighty (180) months of Creditable Service, or (b) after attaining age sixty (60) and completing one hundred eighty (180) months of Creditable Service, a Retiree Medical Supplement in the amount the Member would have received on retirement will be paid to the Member's surviving Spouse or Qualified Relative, if any. The Retiree Medical Supplement shall commence at such time as the surviving Spouse or Qualified Relative may elect after the delivery to Concordia Plan Services of all required forms properly completed and executed, but no earlier than: (c) the first day of the month coinciding with or next following the date the Member would have attained age fifty-five (55), if on the date of death the Member had not yet attained age fifty-five (55); or (d) the first day of the month following the month in which the Member died, if on the Member's date of death the Member had attained age fifty-five (55) or older or had met the requirements for the Rule of 85 described in Subsection 12.3 b) Herein. Except as described in Subsection 12.9 c) below, only a surviving Spouse or Qualified Relative may receive a benefit payment under this Subsection, and no other person or the decedent's estate or creditors or creditors of the estate shall have any claim on or right to receive such benefit. Such surviving Spouse or Qualified Relative may elect to receive such benefit in one of the following forms:

- a) Lump-sum form. The Retiree Medical Supplement may be paid in a single, lump-sum payment.
- b) Life-only form. The Retiree Medical Supplement may be paid in monthly installments, as a life-only annuity for the lifetime of the surviving Spouse or Qualified Relative. Such benefit shall be the Actuarial Equivalent of the Member's Retiree Medical Supplement determined as of the date payment of the benefit is to begin.
- c) Ten-year certain and life form. The Retiree Medical Supplement may be paid as an annuity with the payment of a specified amount each month for the lifetime of the surviving Spouse or Qualified Relative, with a minimum period of ten (10) years of payments guaranteed. The monthly payment amount will be fixed at the time payment commences, as the Actuarial Equivalent of a life-only annuity, and is not subject to change for any reason. In the event the surviving Spouse or Qualified Relative dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in

a single payment to the deceased surviving Spouse's or Qualified Relative's designated beneficiary(ies) subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the surviving Spouse's or Qualified Relative's death, or if the designated beneficiary(ies) predeceased such surviving Spouse or Qualified Relative, the lump-sum amount shall be distributed to the surviving Spouse's or Qualified Relative's estate.

12.10. Surviving Spouses receiving benefits from the Concordia Retirement Plan on January 1, 2006. A deceased Member's surviving Spouse who is receiving a benefit from the Concordia Retirement Plan on January 1, 2006, will be paid a Retiree Medical Supplement commencing as of January 1, 2006 if the deceased Member:

- a) retired prior to death and was at least fifty-nine (59) years of age and had, in any combination, at least one hundred sixty-eight (168) months of Creditable Service in the Concordia Retirement Plan and years of "Service in the Synod" under the Pension Plan for Pastors and Teachers at the time of retirement, or whose age and Creditable Service, when stated in years and twelfths, aggregate eighty-five (85) or more, or
- b) died prior to retiring and was at least sixty (60) years of age and had, in any combination, at least one hundred eighty (180) months of Creditable Service in the Concordia Retirement Plan and years of "Service in the Synod" under the Pension Plan for Pastors and Teachers, or whose age and Creditable Service, when stated in years and twelfths, aggregate eighty-five (85) or more,

in an amount equal to seventy percent (70%) of the Retiree Medical Supplement the deceased Member would have received; provided, however, that no such amount shall be payable to a surviving Spouse for whom contributions to the Concordia Health Plan are being paid by the Concordia Disability and Survivor Plan.

12.11. Adoption of the Required Plans after January 1, 2007. An Employer which had not adopted all of the Required Plans by January 1, 2007, may do so at any time thereafter, but no Initial Service Credits will be granted to any of its Workers.

SECTION XIII

RETIREMENT CASH ACCOUNT

13.1. Election of Retirement Cash Account. In lieu of the benefits provided in SECTIONS VII, VIII, IX, X, XI and XXII of the Plan (the "Traditional Option") an Employer may elect to provide Retirement Cash Accounts for all of its Non-Rostered Workers, or for all such Non-Rostered Workers within one or more designated employment classifications, in accordance with this subsection.

- a) Employer Election. The Employer's election shall only apply to an individual whose employment commences with the Employer, or who enrolls as a Member after the effective date of the election. An Employer newly adopting this Plan may elect to provide a Retirement Cash Account for all of its Non-Rostered Workers or one or more designated employment classifications thereof, including those who were employed prior to the time of adoption and election. An Employer may terminate its election of the Retirement Cash Account by taking action in accordance with the Plan Administrator's procedures then in effect.
- b) Employment Classification Permitted. Any employment classification designated by an Employer for purposes of this election must be established and administered on a reasonable, consistent and non-discriminatory basis. Each eligible Worker in a designated employment classification must be provided coverage on the same terms and conditions as each other Worker in the same employment classification unless changes in employment status have occurred as described herein. Permitted employment classifications include hourly Workers, salaried Workers, faculty and non-faculty and such other classification as may be approved by the Plan Administrator.
- c) Eligibility Waiting Period. An Employer electing the Retirement Cash Account may implement the Eligibility Waiting Period effective on the first day of the calendar month following receipt of written notification to Concordia Plan Services, or on the first day of any future month thereafter. However, the commencement of an Eligibility Waiting Period will only apply to those Members newly enrolled on or after the effective date of the Eligibility Waiting Period. A Worker who has once satisfied the Eligibility Waiting Period with one Employer shall not be required to satisfy a second Eligibility Waiting Period at any subsequent Employer. If an Employer elects to eliminate the Eligibility Waiting Period, each eligible Worker to whom the Eligibility waiting period applied shall be immediately enrolled. For an individual who becomes a Member on or after July 1, 2022, the Eligibility Waiting Period shall not commence prior to the individual's attainment of age 21.
- d) Change to Rostered Status Prior to July 1, 2020. If a Worker enrolled in a Retirement Cash Account becomes Rostered, and thereby becomes eligible for the Traditional Option, the Worker shall be enrolled in the Traditional Option. If this occurs before January 1, 2019, enrollment shall be on the first day of the calendar month next following the date of such roster change. If this occurs on or after January 1, 2019, but prior to July 1, 2020, enrollment shall be on the first day of the calendar month coincident with or next following the date of such roster change. Such changes after July 1, 2020 shall be governed by subparagraph f) below.
- e) Change in Employment Status Occurring before July 1, 2020. If a Worker's employment status changes prior to July 1, 2020 such that the Worker enters a different employment classification, and thereby becomes eligible for the Traditional Option, the Worker's participation shall continue to be the Retirement Cash Account

until July 1, 2020. Commencing on that date, the Worker's participation in the Retirement Cash Account shall end and the Worker shall be enrolled in the Traditional Option so long as the Worker remains eligible for the Traditional Option on that date.

- f) Change in Employment Status on or after July 1, 2020. If a Worker's employment status changes on or after July 1, 2020 such that the Worker enters a different employment classification, and thereby becomes eligible for the Traditional Option, the Worker's participation in the Retirement Cash Account shall end and the Worker shall be enrolled in the Traditional Option on the first day of the calendar month coincident with or next following the date of such status change.
- g) Traditional Option to Remain Unchanged. A Worker who is enrolled in the Traditional Option shall not be enrolled in a Retirement Cash Account so long as the Worker remains employed by the same Employer, regardless of the Member's employment classification or status as a Worker or disabled Worker. Should the Worker's employment terminate for a period of three months or more, and thereafter resume with the same Employer as a Worker, the Worker shall be enrolled in the Retirement Cash Account if applicable to the Worker's employment classification at the time of reenrollment. If an Employer withdraws from the Plan for a period of three or more years, or if an Employee ceases to be a Worker for three years, the first sentence of this Subsection g) shall not apply.
- h) No Duplication of Benefits. The Retirement Cash Account shall be in lieu of benefits provided by the Employer under the terms of SECTIONS VII, VIII, IX, X, XI and XXII of the Plan. At no time shall a Member earn Creditable Service for benefit accrual purposes under the Traditional Option while receiving Compensation Credits under any Retirement Cash Account for the same period of service with such Employer.
- i) Account Establishment Date. For each Worker for whom an Employer has elected to establish a Retirement Cash Account, such an Account shall be established as of the first day of the calendar month next following the later of i) the date the Worker commences employment and completes the Eligibility Waiting Period, if any; or ii) the date the individual becomes newly qualified as a Worker as described in Subsection 2.5. The date such an Account is established for a Member shall be known as the "Account Establishment Date." The Account Establishment Date for a Worker shall in no event be prior to the Employer's Effective Date for adopting the Plan or the Retirement Cash Account, if later.
- j) Termination of Account Option Election. Upon an Employer election to terminate its Retirement Cash Account option, all Workers shall cease participation in the Retirement Cash Account and be immediately enrolled in the Traditional Option.

13.2. Retirement Cash Account. The Retirement Cash Account shall be a bookkeeping record only, and not a separate trust or investment account, and shall report all compensation credits, interest credits, and distributions with respect to such Member.

- a) Compensation Credits. For each Member for whom an Employer has elected to establish a Retirement Cash Account, such an Account shall be established as of the first day of the calendar month next following the later of i) the date of the commencement of the Member's employment with that Employer; ii) the date of completion of the Member's Eligibility Waiting Period, if any; or iii) the date the Member becomes newly qualified as a Worker as described in Subsection 2.5. The date such an Account is established for a Member shall be known as the "Account Establishment

Date.” Notwithstanding the foregoing, for any Employer that adopts the Plan on or after July 1, 2011, and elects to provide Retirement Cash Accounts, the Account Establishment Date for a Worker shall be the Effective Date of the Plan that is applicable to such Worker’s Employer, if such date would be later than the date that otherwise would be the Account Establishment Date.

For the period beginning with the later of the Account Establishment Date and July 1, 2014, and ending with the date on which the Member attains five (5) years of Creditable Service, such Member’s Retirement Cash Account shall be credited, for each month of Creditable Service the Member accrues in that period, with an amount equal to one-twelfth (1/12th) of two and one-half percent (2.5%) of such Member’s annual rate of Compensation determined as of the January 1 occurring in or next preceding such month of Creditable Service. Notwithstanding the foregoing, for a Retirement Cash Account with an Account Establishment Date prior to July 1, 2014, for the period beginning with the Account Establishment Date and ending with the earlier of June 30, 2014, and the date on which the Member attains five (5) years of Creditable Service, such Member’s Retirement Cash Account shall be credited, for each month of Creditable Service the Member accrues in that period, with an amount equal to one-twelfth (1/12th) of three percent (3%) of such Member’s annual rate of Compensation determined as of the January 1 occurring in or next preceding such month of Creditable Service. If the Member attains five (5) years of Creditable Service prior to June 1, 2014, beginning with the calendar month next following the date on which the Member attains five (5) years of Creditable Service, such Member’s Retirement Cash Account shall be credited, for each month of Creditable Service the Member thereafter accrues, with an amount equal to one-twelfth (1/12th) of six percent (6%) of such Member’s annual rate of Compensation determined as of the January 1 occurring in or next preceding such month of Creditable Service, until the earlier of June 30, 2014, or the date on which such Member ceases to accrue Creditable Service. If the Member attains five (5) years of Creditable Service on June 1, 2014, or later, then beginning with the calendar month next following the date on which the Member attains five (5) years of Creditable Service, or if the Member attains five (5) years of Creditable Service prior to June 1, 2014, then beginning with July 1, 2014, such Member’s Retirement Cash Account shall be credited, for each month of Creditable Service the Member thereafter accrues, with an amount equal to one-twelfth (1/12th) of five and one-half percent (5.5%) of such Member’s annual rate of Compensation determined as of the January 1 occurring in or next preceding such month of Creditable Service, until the date on which such Member ceases to accrue Creditable Service.

If a Member’s annual rate of Compensation changes during the calendar year because of a concurrent change in employment or duties, the Compensation to be used in establishing the credit to such Member’s Retirement Cash Account shall be the new annual rate of Compensation resulting from such change in employment or duties.

- b) Interest Credits. As of each December 31 (or as of the date of termination of employment in the case of a Member who is Vested at the time of termination of employment), each Retirement Cash Account shall receive an interest credit determined by multiplying the balance in such account at the beginning of the year by the average yield rate of five-year U.S. Treasury constant rate maturity notes during September of the preceding year, as published in Statistical Release H.15 of the Board of Governors of the U.S. Federal Reserve System. Effective January 1, 2019 for benefits payable in 2019, interest credits will be based on the average yield of thirty-year U.S. Treasury constant rate maturity notes during September of 2018. Effective January 1, 2020 for benefits payable in 2020 and thereafter, interest credits will be

based on the average yield rate of thirty-year U.S. Treasury constant rate maturity notes during August of the preceding year, as published in Statistical Release H.15 of the Board of Governors of the U.S. Federal Reserve System. In no event will such interest rate for any period after December 31, 2018 be less than three percent (3%) nor more than six percent (6%).

In any instance in which distribution of the balance in the Retirement Cash Account is to be made, the balance in such account prior to such distribution shall receive an interest credit determined by multiplying the balance in such account at the beginning of the calendar year by the crediting rate described in the immediately preceding paragraph, prorated for the number of full calendar months from the beginning of the year through the end of the calendar month preceding the date of distribution.

Notwithstanding the foregoing, no Retirement Cash Account from which payments in the annuity form are being made to a Member shall receive an interest credit.

- c) Source of Credits. Compensation credits and interest credits shall be hypothetical credits only, and there shall be no segregation of assets. Distributions from the Retirement Cash Accounts shall be charged against the general Trust fund of the plan.

13.3. Payment of the Retirement Cash Account. The Retirement Cash Account shall be paid as follows:

- a) Payments to a Retired Member. The Retirement Cash Account shall be paid to a Retired Member in one of the optional methods of payment described in Subsection 17.3, commencing as soon as administratively feasible after receipt by Concordia Plan Services of properly completed forms for this purpose.

A Retired Member who has not attained Normal Retirement Age may defer distribution of the Retirement Cash Account; provided, however, that if the Retired Member does not notify Concordia Plan Services by the Member's birthday in the year in which the Member attains Normal Retirement Age, on the form provided by Concordia Plan Services, of the payment option selected, the Member's Retirement Cash Account shall be distributed to the Member in a single, lump-sum payment.

- b) Payments to a Vested Terminated Member. The entire amount credited to a Vested Terminated Member's Retirement Cash Account may be paid in a single, lump-sum payment to such Member.

A Vested Terminated Member who has not attained Normal Retirement Age may defer distribution of the Retirement Cash Account by notifying Concordia Plan Services in writing at the time of the Member's termination; provided, however, if the Vested Terminated Member does not notify Concordia Plan Services by the Member's birthday in the year in which the Member attains Normal Retirement Age, on the form provided by Concordia Plan Services, of the payment option selected, the Member's Retirement Cash Account shall be distributed to the Member in a single, lump-sum payment. Notwithstanding the foregoing, payment in any method other than a lump sum may be elected only on or after the Vested Terminated Member's fifty-fifth (55th) birthday.

13.4. Payment of the Retirement Cash Account on death of an active Member.

- a) If a Member dies prior to becoming Vested, no benefit shall be payable from the Retirement Cash Account. If a Member dies after becoming Vested, the Member's surviving Spouse or Qualified Relative shall be eligible to receive the Member's Retirement Cash Account in one of the following ways, as specified in writing by such surviving Spouse or Qualified Relative, in accordance with procedures established by Concordia Plan Services. Notwithstanding the foregoing, payment in any form other than a lump sum may be elected only on or after the date the deceased Member would have attained age fifty-five (55).
- i) Lump-sum form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Retirement Cash Account in a single, lump-sum payment; provided, however, that payment shall be distributed as of a date no later than the first day of the calendar month following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age, and the lump-sum form is elected by the surviving Spouse or Qualified Relative, the lump-sum payment shall be distributed no later than sixty (60) days following receipt by Concordia Plan Services of proof of the Member's death.
- ii) Life-only form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Actuarial Equivalent of the Retirement Cash Account in monthly installments as a life-only annuity, commencing as of the first day of the month coinciding with or next following the date the deceased Member would have attained age fifty-five (55), or any date thereafter but no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age and the annuity form is elected by the surviving Spouse or Qualified Relative, distribution of the annuity shall commence as of the first calendar month following the Member's death.
- iii) Ten-year certain and life form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Retirement Cash Account as an annuity with the payment of a specified amount each month from the commencement of the payment for the lifetime of the surviving Spouse or Qualified Relative, with a minimum period of ten (10) years of payments guaranteed. Distribution of monthly benefit payments under this option will begin in accordance with administrative procedures established by Concordia Plan Services as described in Subsection 17.7 and the monthly payment amount will be fixed at the time payment commences and is not subject to change for any reason, as the Actuarial Equivalent of a life-only annuity, commencing as of the first day of the month coinciding with or next following the date the deceased Member would have attained age fifty-five (55) or any date thereafter but no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. In the event the surviving Spouse or Qualified Relative dies before the end of the ten-year guaranteed period of

payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the deceased surviving Spouse's or Qualified Relative's designated beneficiary(ies) subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the surviving Spouse's or Qualified Relative's death, or if the designated beneficiary(ies) predeceased the surviving Spouse or Qualified Relative, the lump-sum amount shall be distributed to the surviving Spouse's or Qualified Relative's estate.

- b) Notwithstanding the foregoing, if the deceased Member does not have a surviving Spouse or Qualified Relative, or if the deceased Member's surviving Spouse or Qualified Relative has provided a signed consent, the entire amount credited to the Member's Retirement Cash Account shall be paid to the beneficiary(ies) designated by the Member. Such beneficiary designation must be made on a form prescribed by, and filed with, Concordia Plan Services or in accordance with administrative procedures then in effect. If no beneficiary(ies) has been designated in writing to Concordia Plan Services, or if such beneficiary(ies) predeceases the Member, the Member's Retirement Cash Account shall be distributed in a single, lump-sum payment to the same beneficiary(ies) designated by the Member for the death benefit payable from the Concordia Disability and Survivor Plan subject to Subsection 15.5. If there is no designated beneficiary, such amount shall be distributed to the Member's estate.

13.5. Payment of the Retirement Cash Account on death of a Retired Member. Upon the death of a Retired Member who has not yet begun to receive payment from the Retirement Cash Account, the Member's surviving Spouse or Qualified Relative shall be eligible to receive the Member's Retirement Cash Account in one of the following ways, commencing as soon as administratively feasible after receipt by Concordia Plan Services of properly completed forms for this purpose.

- a) Lump-sum form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Retirement Cash Account in a single, lump-sum payment; provided, however, that payment shall be distributed no later than the first day of the month following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age and the lump-sum form is elected by the surviving Spouse or Qualified Relative, the lump-sum payment shall be distributed no later than sixty (60) days following receipt by Concordia Plan Services of proof of the Member's death.
- b) Life-only form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Actuarial Equivalent of the Retirement Cash Account in monthly installments as a life-only annuity, commencing no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age and the annuity form is elected by the surviving Spouse or Qualified Relative, distribution of the annuity shall commence as of the first calendar month following the Member's death.
- c) Ten-year certain and life form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Retirement Cash Account as an annuity with the payment of a specified amount each month from the commencement of the payment for the lifetime of the surviving Spouse or Qualified Relative, with a minimum period of ten (10) years of payments guaranteed. Distribution of monthly benefit payments under

this option will begin in accordance with administrative procedures established by Concordia Plan Services as described in Subsection 17.7 and the monthly payment amount will be fixed at the time payment commences and is not subject to change for any reason, as the Actuarial Equivalent of a life-only annuity, commencing no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. In the event the surviving Spouse or Qualified Relative dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the deceased surviving Spouse's or Qualified Relative's designated beneficiary(ies) subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the surviving Spouse's or Qualified Relative's death, or if the designated beneficiary(ies) predeceased the surviving Spouse or Qualified Relative, the lump-sum amount shall be distributed to the estate of the surviving Spouse or Qualified Relative.

Notwithstanding the foregoing, if the deceased Retired Member does not have a surviving Spouse or Qualified Relative, or if the deceased Retired Member's surviving Spouse or Qualified Relative has provided a signed consent, the entire amount credited to the Member's Retirement Cash Account shall be paid in a single, lump-sum payment to the Member's named beneficiary(ies) subject to Subsection 15.5. If no beneficiary(ies) has been designated, or if such beneficiary(ies) predeceases the Member, the Member's Retirement Cash Account shall be distributed to the Member's estate in a single, lump-sum payment.

13.6. Payment of the Retirement Cash Account on death of a Vested Terminated Member. Upon the death of a Vested Terminated Member, the Member's surviving Spouse or Qualified Relative shall be eligible to receive the Member's Retirement Cash Account in one of the following ways, as specified in writing by such surviving Spouse or Qualified Relative, in accordance with procedures established by Concordia Plan Services. Notwithstanding the foregoing, payment in any form other than a lump sum may be elected only on or after the date the deceased Member would have attained age fifty-five (55).

- a) Lump-sum form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Retirement Cash Account in a single, lump-sum payment; provided, however, that payment shall be distributed no later than the first day of the calendar month following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age, and the lump-sum form is elected by the surviving Spouse or Qualified Relative, the lump-sum payment shall be distributed no later than sixty (60) days following receipt by Concordia Plan Services of proof of the Member's death.
- b) Life-only form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Actuarial Equivalent of the Retirement Cash Account in monthly installments as a life-only annuity, commencing as of the first day of the calendar month coinciding with or next following the date the deceased Member would have attained age fifty-five (55), or any date thereafter but no later than the first day of the calendar month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. If death occurs after the Member's birthday in the year in which the Member attains Normal Retirement Age and the annuity form is elected by the surviving Spouse or Qualified Relative, payment of the annuity shall commence as of the first calendar month following the Member's death.

- c) Ten-year certain and life form. The surviving Spouse or Qualified Relative may elect to receive distribution of the Retirement Cash Account as an annuity with the payment of a specified amount each month from the commencement of the payment for the lifetime of the surviving Spouse or Qualified Relative, with a minimum period of ten (10) years of payments guaranteed. Distribution of monthly benefit payments under this option will begin in accordance with administrative procedures established by Concordia Plan Services as described in Subsection 17.7 and the monthly payment amount will be fixed at the time payment commences and is not subject to change for any reason, as the Actuarial Equivalent of a life-only annuity, commencing as of the first day of the month coinciding with or next following the date the deceased Member would have attained age fifty-five (55) or any date thereafter but no later than the first day of the month coinciding with or next following the date the deceased Member would have attained Normal Retirement Age. In the event the surviving Spouse or Qualified Relative dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the deceased surviving Spouse's or Qualified Relative's designated beneficiary(ies) subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the surviving Spouse's or Qualified Relative's death, or if the designated beneficiary(ies) predeceased the surviving Spouse or Qualified Relative, the lump-sum amount shall be distributed to the surviving Spouse's or Qualified Relative's estate.

Notwithstanding the foregoing, if the deceased Member does not have a surviving Spouse or Qualified Relative, or if the deceased Member's surviving Spouse or Qualified Relative has provided a signed consent, the Member's Retirement Cash Account shall be distributed in a single, lump-sum payment to the Member's named beneficiary(ies) subject to Subsection 15.5. If no beneficiary(ies) has been designated, or if such beneficiary(ies) predeceases the Member, the Member's Retirement Cash Account shall be distributed to the Member's estate in a single, lump-sum payment.

13.7. Reenrollment after a period of termination. A former Member who has received a lump-sum payment of that Member's prior Retirement Cash Account, and who subsequently again becomes a Member of the Plan, shall not be permitted to repay such lump-sum distribution to the Plan. However, the Member's prior Creditable Service shall be reinstated only for the purpose of determining entitlement to subsequent benefits under the Plan.

13.8. Special rules for Members on leave of absence. The following special rules shall be applicable for purposes of computing the Retirement Cash Account of Members on leave of absence as described in SECTION V of the Plan:

- a) Educational leaves granted by Concordia Plan Services. The Retirement Cash Account of a Member who is on an educational leave granted by Concordia Plan Services shall not receive any compensation credits during such leave but shall continue to receive interest credits.
- b) Leaves granted by Employer. The Retirement Cash Account of a Member who is on leave of absence granted by the Employer will continue to receive both compensation credits and interest credits during the period of such leave.
- c) Leaves for governmental service. The Retirement Cash Account of a Member who is on a leave of absence for governmental service shall continue to receive both compensation credits and interest credits during the period of such leave.

- d) Payment of Retirement Cash Account. No payment of the Retirement Cash Account shall be made to the Member while such Member is on a leave of absence.

13.9. Special rules for Disabled Members. A Disabled Member shall be considered to be an active Worker for Retirement Cash Account purposes, and during the period of Disability such Disabled Member's Retirement Cash Account shall receive compensation credits pursuant to Subsection 13.2 a) and interest credits pursuant to Subsection 13.2 b), provided, however, that if the Disability occurs during the Member's Eligibility Waiting Period, no compensation credits or interest credits shall be earned until the Eligibility Waiting Period has been completed. Also, upon completion of the Disabled Member's Eligibility Waiting Period, the Employer shall commence payment of contributions to the Plan for the Disabled Member unless the waiver of contributions as outlined in Subsection 18.5 a) is applicable.

For purposes of computing the compensation credits, the Disabled Member shall be treated as having received annual Compensation in an amount equal to the annual Compensation when the Disability commenced, increased by three percent (3%) on each January 1 while the Disability continues, starting with the first January 1 coinciding with or immediately following one full year of continuous Disability, measured from the date on which Disability commenced.

13.10. Special rules for late retirements. Except as described in Subsection 6.4 (c), the Retirement Cash Account shall not be payable to a Member who continues in active service as a Worker after the Member's Normal Retirement Date even though such Member may receive an In-Service Benefit pursuant to Subsection 10.4. The Retirement Cash Account shall become payable only on such Member's Late Retirement Date or death, if earlier.

13.11. Special rules for non-vested Inactive Members. A Worker who terminates employment from an Employer and has not become Vested shall not be entitled to receive payment from such Worker's Retirement Cash Account, if any, under the Plan. However, if the individual again becomes a Worker and is enrolled in the Plan, his or her Retirement Cash Account will be reinstated in an amount equal to the account balance in effect at the time of the previous termination, but no interest credits shall be applied for the period between the date of termination and the date of reenrollment as a Worker.

SECTION XIV

VESTING

14.1. Vesting in Benefits under Sections VII, VIII, IX, X, XI and XII. After a Member has accumulated five (5) years of Creditable Service, the Member shall be Vested and eligible to receive those benefits to which he or she is entitled under SECTIONS VII, VIII, IX, X, XI and XII of the Plan. If a Member's Creditable Service ceases before the Member becomes Vested, the Member shall forfeit all rights to any benefits under those Sections.

14.2. Vesting in Benefits under Section XIII (Retirement Cash Account) for a Member with no Creditable Service on or after July 1, 2018. A Member who has no Creditable Service on or after July 1, 2018 and who accumulated five (5) years of Creditable Service prior to that date shall be Vested and eligible to receive those benefits to which he or she is entitled under SECTION XIII of the Plan. If a Member's Creditable Service ceases before the Member becomes Vested, the Member shall forfeit all rights to any benefits under SECTION XIII.

14.3. Vesting in Benefits under Section XIII (Retirement Cash Account) for a Member with Creditable Service on and after July 1, 2018. After a Member has accumulated three (3) years of Creditable Service, at least one month of which shall be July, 2018 or later, the Member shall be Vested and eligible to receive those benefits to which he or she is entitled under SECTION XIII of the Plan. If a Member's Creditable Service ceases before the Member becomes Vested, the Member shall forfeit all rights to any benefits under SECTION XIII.

SECTION XV

DEATH BENEFITS

15.1. Lump-sum payment.

a) Member retired prior to July 1, 2014.

- i) Upon the death of a Member who became a Retired Member prior to July 1, 2014 (“Grandfathered Retiree”), a lump-sum cash payment shall be made to the deceased Grandfathered Retiree’s designated beneficiary(ies) determined in accordance with Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the Grandfathered Retiree’s death, or if all of the designated beneficiary(ies) predeceased the Grandfathered Retiree, or if the designation on file is not effective for any reason, the cash payment shall be made to the deceased Grandfathered Retiree’s surviving Spouse or Qualified Relative, if living at the date of distribution; otherwise to the deceased Grandfathered Retiree’s surviving Children, in equal shares, if living at the date of distribution; otherwise to the deceased Grandfathered Retiree’s estate.
- ii) Upon the death of an Enrolled Dependent Spouse (defined below) of a Grandfathered Retiree, or of a deceased Grandfathered Retiree, a lump-sum cash payment shall be made to the Grandfathered Retiree, if living at the date of distribution, otherwise to the designated beneficiary(ies) of the deceased Enrolled Dependent Spouse determined in accordance with Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the Enrolled Dependent Spouse’s death, or if all of the designated beneficiary(ies) predeceased the Enrolled Dependent Spouse, or if the designation on file is not effective for any reason, the cash payment shall be made to the deceased Enrolled Dependent Spouse’s surviving Children, in equal shares, if living; otherwise to such deceased Enrolled Dependent Spouse’s estate.
- iii) Upon the death of an enrolled Dependent Child of a Grandfathered Retiree, or of a deceased Grandfathered Retiree, a lump-sum cash payment shall be made to the Grandfathered Retiree, if living at the date of distribution, otherwise to the Grandfathered Retiree’s surviving Spouse or Qualified Relative, if living at the date of distribution, otherwise to the designated beneficiary(ies) of the deceased enrolled Dependent Child determined in accordance with Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the Child’s death, or if all of the designated beneficiary(ies) predeceased the Child, or if the designation on file is not effective for any reason, the cash payment shall be made to the deceased Enrolled Dependent Child’s estate.
- iv) For purposes of Subsection 15.1(a), “Enrolled Dependent Spouse” shall mean a Spouse who has been properly enrolled in the Plan and whose marriage to the Member was prior to the date the Member’s Creditable Service ceased.

The lump-sum cash payment payable under paragraph a) of this Subsection 15.1 on the death of a Grandfathered Retiree shall be limited to ten thousand dollars (\$10,000) whether payable to one or more than one beneficiary(ies) and shall not bear post-mortem interest; provided,

however, (i) the lump-sum cash payment payable upon the death of a Grandfathered Retiree who became a Retired Member prior to January 1, 1982, shall be the greater of ten thousand dollars (\$10,000) or the benefit that would have otherwise been payable from the Concordia Survivor Plan as in effect on December 31, 1981 and (ii) for a Grandfathered Retiree who became a Retired Member prior to January 1, 1982, the lump sum payment upon the death of an Enrolled Dependent Spouse or an enrolled Dependent Child shall be the lump sum death benefit amount in effect under this Plan on the date the Grandfathered Retiree ceased to be a Worker.

- b) Grandfathered Worker. A lump-sum cash payment shall be made upon the death of the first to die of (i) a Retired Member who, on June 30, 2014, was a Worker, had attained at least age fifty-five (55), and was credited with at least five (5) years of Creditable Service ("Grandfathered Worker"), or, (ii) the Grandfathered Worker's Spouse or Qualified Relative. In the event the Grandfathered Worker is the first to die, the cash payment shall be made to the deceased Grandfathered Worker's designated beneficiary(ies) determined in accordance with Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the Grandfathered Worker's death, or if all of the designated beneficiary(ies) predeceased the Grandfathered Worker, or if the designation on file is not effective for any reason, the cash payment shall be made to the deceased Grandfathered Worker's Spouse or Qualified Relative, if living at the date of distribution; otherwise to the deceased Grandfathered Worker's surviving Children, in equal shares, if living at the date of distribution; otherwise to the deceased Grandfathered Worker's estate. In the event the Spouse or Qualified Relative of a Grandfathered Worker is the first to die, the cash payment shall be made to the Grandfathered Worker, if living at the date of distribution; otherwise to the designated beneficiary(ies) of the deceased Spouse or Qualified Relative determined in accordance with Subsection 15.5. If the Spouse or Qualified Relative has no beneficiary designation on file with Concordia Plan Services at the date of the Spouse's or Qualified Relative's death, or if all of the designated beneficiary(ies) predeceased the Spouse or Qualified Relative, or if the designation on file is not effective for any reason, the cash payment shall be made to the deceased Spouse's or Qualified Relative's surviving Children, in equal shares, if living at the date of distribution; otherwise to such deceased Spouse's or Qualified Relative's estate.

Any lump-sum cash payment payable under this paragraph b) of this Subsection 15.1 shall be limited to ten thousand dollars (\$10,000) whether payable to one or more than one beneficiary and shall not bear post-mortem interest. Notwithstanding the foregoing, no more than one (1) lump-sum payment of ten thousand dollars (\$10,000) shall be made upon the death of a Retired Member or upon the death of Member's Spouse or Qualified Relative unless such person is at the time of death both a Retired Member and the Spouse or Qualified Relative of a Retired Member.

15.2. Death of an active Member. If, prior to becoming a Retired Member, a Member dies prior to earning five (5) years of Creditable Service, no death benefit shall be payable.

If a Member who has a surviving Spouse or Qualified Relative dies prior to becoming a Retired Member and after age fifty-five (55) with five (5) or more years of Creditable Service, a monthly benefit shall be payable to the surviving Spouse or Qualified Relative for life, commencing on the first day of the month following the month in which the Member died, determined as if:

- a) the Member retired on the date of death,
- b) the Member elected to have the benefit commence, and

- c) the Member died immediately thereafter,

resulting in a benefit equal to seventy percent (70%) of the Primary Benefit the Member would have received had the Member retired on the date of death.

If, prior to becoming a Retired Member, a Member who has a surviving Spouse or Qualified Relative dies prior to age fifty-five (55) with five (5) or more years of Creditable Service, a monthly benefit shall be payable to the surviving Spouse or Qualified Relative for life, commencing as of the first day of the month coinciding with or next following the date on which the Member would have attained age fifty-five (55), with such date to constitute the Primary Benefit Commencement Date, determined as if:

- i) the Member's Creditable Service ceased on date of death,
- ii) the Member survived to age fifty-five (55),
- iii) the Member elected to have the benefit commence on the first day of the month which coincides with or next follows the Member's fifty-fifth (55th) birthday, and
- iv) the Member died immediately after attaining age fifty-five (55),

resulting in a benefit equal to seventy percent (70%) of the Primary Benefit the Member would have received had the Member lived to age fifty-five (55).

15.3. Death of a Vested Terminated Member. On the death of a Vested Terminated Member for whom the payment of the Primary Benefit has commenced, the benefit payable to the deceased Vested Terminated Member's surviving Spouse or Qualified Relative shall be determined pursuant to the method of payment in effect with respect to the Member's benefit, e.g., one hundred percent (100%) of the Member's benefit if payable in the form of a joint-and-100%-survivor annuity, and no benefit if payable as a life-only annuity. Notwithstanding anything Herein to the contrary, the Member's Spouse or Qualified Relative as of the commencement of a joint-and-survivor form annuity for any Plan benefit is the sole person who may receive a Plan benefit as a joint annuitant of the Member. In the event of the death of a Vested Terminated Member after attainment of age fifty-five (55), for whom payment of the Primary Benefit has not commenced, a monthly benefit shall be payable to the surviving Spouse or Qualified Relative, if any, for life, commencing on the first day of the month following the month in which the Vested Terminated Member died, determined as if:

- a) immediately prior to death, the Vested Terminated Member elected to have the Primary Benefit, payable in the form of a joint-and-70% survivor annuity, commence on the first day of the month following the month in which the Member died, and
- b) the Vested Terminated Member died immediately thereafter.

In the event of the death of a Vested Terminated Member prior to attainment of age fifty-five (55), a monthly benefit shall be payable to the surviving Spouse or Qualified Relative, if any, for life, commencing on the first day of the month coinciding with or next following the date on which the Member would have attained age fifty-five (55), with such date to constitute the Primary Benefit Commencement Date, determined as if:

- i) the Vested Terminated Member survived to age fifty-five (55),

- ii) the Vested Terminated Member elected to have the Primary Benefit, payable in the form of a joint-and-70% survivor annuity, commence on the first day of the month which coincides with or next follows the Member's fifty-fifth (55th) birthday, and
- iii) the Vested Terminated Member died immediately after attaining age fifty-five (55).

15.4. Death of a Retired Member. The death benefit of a Retired Member shall be determined in accordance with the following:

- a) Surviving Spouse or Qualified Relative. On the death of a Retired Member for whom the payment of the Primary Benefit has commenced, the benefit payable to the deceased Retired Member's surviving Spouse or Qualified Relative, if any, shall be determined pursuant to the method of payment in effect with respect to the Member's benefit, e.g., one hundred percent (100%) of the Member's benefit if payable in the form of a joint-and-100%-survivor annuity, and no benefit if payable as a life-only annuity. Notwithstanding anything Herein to the contrary, the Member's Spouse or Qualified Relative as of the commencement of a joint-and-survivor form annuity for any Plan benefit is the sole person who may receive a Plan benefit as a joint annuitant of the Member. On the death of a Retired Member for whom payment of the Primary Benefit has not commenced, a monthly benefit shall be payable to the surviving Spouse or Qualified Relative, if any, for life, commencing as of the first day of the month following the month in which the Retired Member died, determined as if:
 - i) immediately prior to death, the Member elected to have the Primary Benefit payable in the form of a joint-and-70% survivor annuity, commencing as of the first of the month following the later of the date the Member ceased Creditable Service (or ceased employment with an Employer if no longer a Worker) and the date the Member attained Normal Retirement Age, except that if immediately prior to death the Member had not attained Normal Retirement Age, the first of the month following the Member's date of death shall be treated as if it had been the Primary Benefit Commencement Date elected by the Member, and
 - ii) the Member died immediately thereafter,resulting in a benefit equal to seventy percent (70%) of the Primary Benefit the Member would have received if the Member had made the election described immediately above for the payment of the Primary Benefit and had not died prior to commencement of the payment of the Primary Benefit to the Member.
- b) Benefits for surviving Dependent Child. On the death of a Retired Member either for whom payment of the Primary Benefit has not commenced or for whom payment of the Primary Benefit has commenced in the form of a joint-and-70%-survivor annuity or joint-and-100%-survivor annuity, the amount of the monthly benefit payable with respect to each enrolled surviving Dependent Child of such Member shall be fifteen percent (15%) of the Member's Primary Benefit; provided, however, that the total of all such monthly benefits payable to enrolled surviving Dependent Children Hereunder shall not exceed thirty percent (30%) of the deceased Member's Primary Benefit.

The monthly benefit payable under this Subsection 15.4 b) shall be paid to the Child if not then a minor, or, if a minor, to the lawful guardian of such Child. Payment of such

benefit to such Member's surviving Dependent Children shall commence on the first day of the month coinciding with or next following the date of death of the second to die of the Member and the Member's joint annuitant, if any. The final payment to each Child shall be payable as of the first day of the month preceding the date the Child no longer qualifies as a Dependent Child or in which the Child's death occurs.

15.5. Beneficiaries.

- a) Designation of a beneficiary. Except as otherwise provided Herein, benefits under the Plan which are payable to a beneficiary shall be paid only to the beneficiary or beneficiaries designated pursuant to this Subsection by the Member, Spouse or Qualified Relative entitled to make such designation. Each such person shall specifically designate, by name, on forms provided by Concordia Plan Services or in accordance with other administrative procedures then established, the beneficiary(ies) to whom such payment shall be made. Such designation may be made at any time. A designation of a beneficiary may be changed or revoked without the consent of the beneficiary at any time or from time to time. Any such designation shall be contingent on the designated beneficiary surviving the person who made the designation. More than one beneficiary, and alternative or contingent beneficiaries, may be designated, in which case the designating party shall specify the shares, terms, and conditions upon which amounts shall be paid to such multiple or alternative or contingent beneficiaries, all of which must be satisfactory to Concordia Plan Services. Any amount payable to an estate shall be paid to such estate directly, in a single lump sum. A beneficiary designation form or other designation method, whether initially filed or intended to change a form previously filed, shall not be effective unless and until filed with, and accepted by, Concordia Plan Services in accordance with its established procedures.
- b) No designation on file or ineffective designation. Except for lump-sum death benefits payable under Subsection 15.1, and amounts payable under Subsections 11.3 c) and 13.4 b), if no designation is on file with Concordia Plan Services at the time of the death of a Member, Spouse or Qualified Relative, as applicable, or if the designation on file is not effective for any reason, the estate of such Member, Spouse or Qualified Relative shall receive the amount payable to a beneficiary, with all such payments to be made in a single lump sum using the actuarial assumptions applicable to the particular benefit payable.
- c) Involvement in death of Member, Spouse or Qualified Relative. Notwithstanding the foregoing, no benefits as described in this Section shall be payable to a beneficiary convicted of, or under indictment for, the death of the deceased Member, Spouse or Qualified Relative, and alternate payment shall be made as determined by Concordia Plan Services.
- d) Revocation of Beneficiary Designation on Divorce. If a Member designates his or her Spouse, Qualified Relative, or a relative of his or her Spouse or Qualified Relative, as beneficiary and subsequent to such designation the Member's marriage is dissolved or annulled, the designation of such person as beneficiary under this Plan shall be deemed revoked. This revocation shall not apply to a provision of a beneficiary designation that has specifically been made irrevocable, or only revocable with the consent of the Spouse or Qualified Relative, or that expressly states that marriage dissolution shall not affect the designation.

The beneficiary designation shall be given effect as if the former Spouse, Qualified Relative or relative had disclaimed the revoked provision. A Member may designate a former Spouse, Qualified Relative or a relative of such person as beneficiary by completing and submitting a new beneficiary designation after the dissolution or annulment naming the former Spouse, Qualified Relative, or former relative as beneficiary. For purposes of this Subsection 15.5, a relative of a former Spouse or Qualified Relative means an individual who is related to the Member's former Spouse or Qualified Relative by blood, adoption or affinity and who, after the divorce or annulment is not related to the Member by blood, adoption or affinity.

- e) No application to joint annuities. Subsection 15.5 d) shall not be applicable in the case of a joint and survivor form of annuity where the payments have commenced. For this purpose, the joint annuitant is not considered to be a named or designated beneficiary. Subsection 15.5 d) shall apply to a beneficiary named under the ten-year certain and life form of payment. Notwithstanding anything Herein to the contrary, the Member's Spouse or Qualified Relative as of the commencement of a joint-and-survivor form annuity for any Plan benefit is the sole person who may receive a Plan benefit as a joint annuitant for the Member.

15.6. Facility of Payment to Minors and Disabled Persons. If any amount payable Hereunder is payable to a minor or other person under legal disability, payments shall be made in one (or any combination) of the following ways, as Concordia Plan Services shall determine in its sole discretion:

- a) directly to said minor or disabled person;
- b) to the legal representatives of said minor or disabled person; or
- c) to some relative of such minor or disabled person for the support, welfare, or education of such person.

Neither the Synod, nor the Board of Trustees, nor Concordia Plan Services, nor any Employer shall be required to see to the application of any distribution so made, and the receipt of the person to whom such distribution is actually made shall fully discharge the Plan, the Synod, Concordia Plan Services, and all Employers from any further accountability or responsibility with respect to the amount paid.

15.7. Special rules for Members entitled to Retirement Cash Accounts. Notwithstanding the foregoing the surviving Spouse or Qualified Relative or surviving Dependent Child(ren) of a Member for whom a Retirement Cash Account has been established under SECTION XIII of the Plan is not entitled to any benefit under Subsections 15.2, 15.3 or 15.4, except with respect to a Member who has a Retirement Cash Account and who also has been employed for one or more Employer(s) with which the Member has accrued a Primary Benefit, with the benefit under Subsections 15.2, 15.3 or 15.4 to be computed based solely on the Member's Creditable Service for the Employer(s) with which the Member has accrued a Primary Benefit. Notwithstanding the foregoing, in calculating the amount of the Primary Benefit, Final Average Monthly Compensation shall be computed in accordance with Subsection 1.22.

15.8. Actuarial equivalence for distributions commencing on July 1, 2014. Notwithstanding any other provision to the contrary in this SECTION XV, in the case of any Member whose death occurs on or before June 30, 2014, and with respect to whom a benefit payment for a surviving Spouse or Qualified Relative or surviving Dependent Child commences on or before July 1, 2014, the benefit payable will be determined using the actuarial equivalence factors in effect on June 30, 2014.

SECTION XVI

ROLLOVER FROM THE CONCORDIA RETIREMENT SAVINGS PLAN

16.1. Rollover. At any time, any CRSP Member who i) meets the eligibility requirements of Subsection 16.2, ii) desires to annuitize all or a portion of such Member's CRSP account, and iii) elects to receive a benefit from the CRSP, may make a rollover contribution to the Plan to the extent permitted by law, and the Plan will accept such rollover if immediately annuitized in accordance with Subsection 16.2.

16.2. Eligibility to rollover and annuitize Concordia Retirement Savings Plan account. To be eligible to make a rollover to the Plan from the CRSP, a CRSP Member, or the surviving Spouse or Qualified Relative of a CRSP Member, must meet the following:

- a) the CRSP Member ceased to be a Worker as a result of a vested termination, retirement, death or has reached age sixty-two (62) and has elected an Early Retirement Benefit in accordance with Subsection 9.3 a);
- b) the CRSP Member or surviving Spouse or Qualified Relative is (or would be, in the case of a deceased CRSP Member) age fifty-five (55) or older;
- c) the CRSP Member has a vested benefit under the Plan and is otherwise eligible to receive a benefit from the Plan; and
- d) the amount to be transferred from the CRSP for annuitization is greater than five thousand dollars (\$5,000).

The Member or surviving Spouse or Qualified Relative shall receive payment of the annuity in any method of payment permitted by Subsection 17.5.

SECTION XVII

METHODS OF PAYMENT OF BENEFITS

17.1. Methods of payment of Primary Normal Retirement Benefit. The following methods of payment of a Member's Primary Normal Retirement Benefit are available:

- a) Lump-sum form. If the single sum Actuarial Equivalent of the Member's Primary Normal Retirement Benefit is five thousand dollars (\$5,000) or less at the time Creditable Service ceases, benefits may be distributed in accordance with the provisions of Subsection 26.3.
- b) Life-only form. Unless otherwise elected and subject to Subsection 17.1 e), a Member who does not have a Spouse or Qualified Relative shall receive a monthly benefit equal to one hundred five percent (105%) of the Primary Normal Retirement Benefit, in the form of a life-only annuity. A Member who does have a Spouse or Qualified Relative, with the consent of such Spouse or Qualified Relative, may elect a life-only annuity subject to Subsection 17.1 e). A life-only annuity is a monthly annuity payable for the lifetime of the Member, with the final payment payable as of the first day of the month in which the Member's death occurs and no minimum number of payments guaranteed.
- c) Joint-and-survivor form. A Member who has a Spouse or Qualified Relative shall receive payment equal to the Primary Normal Retirement Benefit in the form of a joint-and-70%-survivor annuity unless the Member elects a joint-and-100%-survivor annuity, (which shall be the Actuarial Equivalent of the joint-and-70%-survivor annuity, as of the date payment is to begin, by reference to the dates of birth of the Member and Spouse or Qualified Relative) or the Member elects a life-only annuity or ten-year certain and life annuity, with the consent of the Member's Spouse or Qualified Relative. A joint-and-survivor annuity is a monthly annuity payable for the life of the Member, with a monthly survivor annuity payable for the life of the Spouse or Qualified Relative. The monthly payments for the joint-and-survivor annuity shall be reduced following the Member's death if the joint-and-70%-survivor option was elected, and the final payment shall be payable as of the first day of the month in which the death of the last to die of the Member and Spouse or Qualified Relative occurs. Notwithstanding anything Herein to the contrary, the Member's Spouse or Qualified Relative as of the commencement of a joint-and-survivor form annuity for any Plan benefit is the sole person who may receive a Plan benefit as a joint annuitant of the Member.
- d) Ten-year certain and life form. A Member may elect (subject to the provisions of Subsection 17.1 e) and, in the case of a Member who has a Spouse or Qualified Relative with the written consent of such Spouse or Qualified Relative) to receive the Primary Normal Retirement Benefit as a ten-year certain and life annuity. A ten-year certain and life annuity is payable for the lifetime of the Member, with a minimum period of ten (10) years of payments guaranteed. The amount of each monthly payment is fixed at the time distribution of the annuity commences, as the Actuarial Equivalent of a life-only annuity, and is not subject to change for any reason. In the event the Member dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the deceased Member's designated beneficiary(ies) subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the Member's death, or if the designated beneficiary(ies)

predeceases the Member, the lump-sum amount shall be distributed to the Member's estate.

- e) Only one form of annuity. If a Member elects to receive a Primary Benefit in the form of an annuity, the Member may receive payment of such benefit only in the same form of annuity in which the Member will be or is receiving the Member's Supplemental Retirement Account and/or Retirement Cash Account, if any. Notwithstanding the foregoing, if distribution of a Member's Supplemental Retirement Account or Retirement Cash Account in the form of an annuity began prior to the election of the annuity for the Member's Primary Benefit and the Member's marital status changed prior to such election of the Primary Benefit annuity but after distribution of the Supplemental Retirement Account or Retirement Cash Account in the form of an annuity began, the Member may elect a form of annuity for the Primary Benefit that differs from the form of annuity for the Supplemental Retirement Account or Retirement Cash Account.

17.2. Methods of payment of Termination Benefit or of Retired Member's early or late Primary Benefit. A Member's Primary Early Retirement Benefit, Primary Late Retirement Benefit, or Termination Benefit is payable as a life-only annuity or ten-year certain and life annuity form (provided that the Member's Spouse or Qualified Relative if applicable consents in writing to such method of payment), or for a Member with a Spouse or Qualified Relative, a joint-and-70%-survivor annuity or as joint-and-100%-survivor annuity, with the amount payable under each such method of payment to be determined using an actuarial assumption applicable to the Primary Normal Retirement Benefit and the ages (at the time payment of the benefit begins) of the Member and Spouse or Qualified Relative (if applicable). In the case of a Primary Early Retirement Benefit or early Termination Benefit, the benefit shall be subject to special computations as follows: The benefit shall first be computed as a Primary Normal Retirement Benefit or Termination Benefit, and then reduced to reflect the early payment date as required by Subsection 9.3 a) (in the case of a Primary Early Retirement Benefit) or any reduction required by Subsection 9.4 (in the case of an early Termination Benefit), which reduced monthly benefit shall be the basis for determining the payment amount under any other form of payment available for this benefit. Notwithstanding anything Herein to the contrary, the Member's Spouse or Qualified Relative as of the commencement of a joint-and-survivor form annuity elected for any Plan benefit is the sole person who may receive a Plan benefit as a joint annuitant of the Member.

17.3. Methods of payment of the Supplemental Retirement Account and/or Retirement Cash Account. The following methods of payment of the Supplemental Retirement Account and Retirement Cash Account are available:

- a) Lump-sum form. A Member may elect (with the written consent of the Member's Spouse or Qualified Relative if applicable) to receive distribution of the entire amount credited to such Member's Supplemental Retirement Account and/or Retirement Cash Account in a single, lump-sum payment.
- b) Life-only form. Subject to the provisions of Subsections 11.2, 13.3 and 17.3 e), a Member who does not have a Spouse or Qualified Relative may elect to receive distribution of the Actuarial Equivalent of the Supplemental Retirement Account and/or Retirement Cash Account in the form of a life-only annuity, payable for the lifetime of the Member, with the final payment payable as of the first day of the month in which the Member's death occurs and no minimum number of payments guaranteed. A Member who has a Spouse or Qualified Relative may elect to receive payment of the Supplemental Retirement Account and/or Retirement Cash Account in the form of a life-only annuity, subject to Subsections 11.2, 13.3 and 17.3 e), provided the Member's Spouse or Qualified Relative consents in writing to such form of payment.

- c) Joint-and-survivor form. Subject to the provisions of Subsections 11.2, 13.3 and 17.3 e), a Member who has a Spouse or Qualified Relative may elect to receive payment of the Member's Supplemental Retirement Account and/or Retirement Cash Account either in the form of a joint-and-70%-survivor annuity or a joint-and-100%-survivor annuity. Each such form of payment shall be the Actuarial Equivalent of a life-only annuity, as of the date payment is to commence, by reference to the dates of birth of the Member and Spouse or Qualified Relative. The monthly payments for the joint-and-survivor annuity shall be reduced following the Member's death if the joint-and-70%-survivor option was elected, and the final payment shall be payable as of the first day of the month in which the death of the last to die of the Member and Spouse or Qualified Relative occurs. Notwithstanding anything Herein to the contrary, the Member's Spouse or Qualified Relative as of the commencement of a joint-and-survivor form annuity for any Plan benefit is the sole person who may receive a Plan benefit as a joint annuitant of the Member.

- d) Ten-year certain and life form. Subject to the provisions of Subsections 11.2, 13.3 and 17.3 e), a Member may elect (with the written consent of the Member's Spouse or Qualified Relative if applicable) to receive the Supplemental Retirement Account and/or Retirement Cash Account as a ten-year and certain annuity with payment of a specified amount each month for the lifetime of the Member, with a minimum period of ten (10) years of payments guaranteed. The amount of each monthly payment is fixed at the time payment commences, as the Actuarial Equivalent of a life-only annuity, and is not subject to change for any reason. In the event the Member dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the deceased Member's designated beneficiary(ies) subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the Member's death, or if the designated beneficiary(ies) predeceases the Member, the lump-sum amount shall be distributed to the Member's estate.

- e) Only one form of annuity. If a Member elects to receive a Supplemental Retirement Account and/or Retirement Cash Account in the form of an annuity, the Member may receive payment of such benefit(s) only in the same form of annuity in which the Member will be or is receiving the Member's Primary Benefit. Notwithstanding the foregoing, if distribution of a Member's Primary Benefit in the form of an annuity began prior to the election of the annuity for the Member's Supplemental Retirement Account or Retirement Cash Account, and the Member's marital status changed prior to such election of the Supplemental Retirement Account or Retirement Cash Account annuity but after distribution of the Primary Benefit in the form of an annuity began, the Member may elect a form of annuity for the Supplemental Retirement Account and/or Retirement Cash Account that differs from the form of annuity for the Primary Benefit.

17.4. Methods of payment of the Retiree Medical Supplement.

- a) Lump-sum form. A Member may elect (with the written consent of the Member's Spouse or Qualified Relative if applicable) to receive distribution of such Member's Retiree Medical Supplement in a single, lump-sum payment.

- b) Life-only form. Unless otherwise elected and subject to Subsection 17.4 f), a Member who does not have a Spouse or Qualified Relative will receive distribution of the Retiree Medical Supplement in the form of a life-only annuity, meaning payment of the

benefit amount determined as the Actuarial Equivalent of the lump sum form of payment, payable for the lifetime of the Member, with the final payment payable as of the first day of the month in which the Member's death occurs and no minimum number of payments guaranteed. A Member who has a Spouse or Qualified Relative may elect to receive payment of the Retiree Medical Supplement in the form of a life-only annuity, subject to Subsection 17.4 f) and provided the Member's Spouse or Qualified Relative consents in writing to such form of payment.

- c) Joint-and-survivor form. Unless otherwise elected and subject to Subsection 17.4 f), a Member who has a Spouse or Qualified Relative may elect to receive payment of the Retiree Medical Supplement either in the form of a joint-and-70%-survivor annuity or a joint-and-100%-survivor annuity unless, with the consent of the Member's Spouse or Qualified Relative, the Member has elected a lump-sum payment, life-only annuity, or ten-year certain and life annuity. Any such joint-and-survivor form of benefit shall be the Actuarial Equivalent of a life-only annuity, as of the date payment is to begin, by reference to the dates of birth of the Member and Spouse or Qualified Relative. The monthly payments for the joint-and-survivor annuity shall be reduced following the Member's death if the joint-and-70%-survivor option was elected, and the final payment shall be payable as of the first day of the month in which the death of the last to die of the Member and Spouse or Qualified Relative occurs. Notwithstanding anything Herein to the contrary, the Member's Spouse or Qualified Relative as of the commencement of a joint-and-survivor form annuity for any Plan benefit is the sole person who may receive a Plan benefit as a joint annuitant of the Member.
- d) Ten-year certain and life form. Unless otherwise elected and subject to Subsection 17.4 f), a Member may elect (with the written consent of the Member's Spouse or Qualified Relative if applicable) to receive the Retiree Medical Supplement as a ten-year certain and life annuity with payment of a specified amount each month for the lifetime of the Member, with a minimum period of ten (10) years of payments guaranteed. The monthly payment amount will be fixed at the time payment commences, as the Actuarial Equivalent of a life-only annuity, and is not subject to change for any reason. In the event the Member dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the deceased Member's designated beneficiary(ies) subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the Member's death, or if the designated beneficiary(ies) predeceases the Member, the lump-sum amount shall be distributed to the Member's estate.
- e) Methods of payment on early or late retirement. On a Member's early or late retirement, the Retiree Medical Supplement (if any) which the Member is entitled to receive may be paid in one of the optional forms of payment available in paragraphs a), b), c), or d) of this Subsection to which the Member may be entitled.
- f) Only one form of annuity. If a Member elects to receive a Retiree Medical Supplement in the form of an annuity, the Member may receive payment of the Retiree Medical Supplement only in the same form of annuity in which the Member will be or is receiving the Member's Primary Benefit (and/or Retirement Cash Account, if applicable).

17.5. Methods of payment of rollover amounts from the Concordia Retirement Savings Plan. The following methods of payment of amounts rolled over from the Concordia Retirement Savings Plan are available:

- a) Life-only form. Unless otherwise elected and subject to Subsection 17.5 d), a Member who does not have a Spouse or Qualified Relative will receive distribution of rollover amounts, if any, in the form of a life-only annuity, meaning payment of the benefit amount determined as the Actuarial Equivalent of the rollover amount, payable for the lifetime of the Member, with the final payment payable as of the first day of the month in which the Member's death occurs and no minimum number of payments guaranteed. A Member who has a Spouse or Qualified Relative may elect to receive payment of rollover amounts in the form of a life-only annuity, subject to the provisions of Subsection 17.5 d) and provided the Member's Spouse or Qualified Relative consents in writing to such form of payment.
- b) Joint-and-survivor form. Subject to Subsection 17.5 d), a Member who has a Spouse or Qualified Relative may elect to receive distribution of rollover amounts either in the form of a joint-and-70%-survivor annuity or a joint-and-100%-survivor annuity unless, with the consent of the Member's Spouse or Qualified Relative, the Member has elected either a life-only annuity or a ten-year certain and life annuity. Any such joint-and-survivor form of benefit shall be the Actuarial Equivalent of a life-only annuity, as of the date payment is to begin, by reference to dates of birth of the Member and Spouse or Qualified Relative. The monthly payments for the joint-and-survivor annuity shall be reduced following the Member's death if the joint-and-70%-survivor option was elected, and the final payment shall be payable as of the first day of the month in which the death of the last to die of the Member and Spouse or Qualified Relative occurs. Notwithstanding anything Herein to the contrary, the Member's Spouse or Qualified Relative as of the commencement of a joint-and-survivor form annuity for any Plan benefit is the sole person who may receive a Plan benefit as a joint annuitant of the Member.
- c) Ten-year certain and life form. A Member may elect (subject to Subsection 17.5 d) with the written consent of the Member's Spouse or Qualified Relative if applicable) to receive a ten-year certain and life annuity with payment of a specified amount each month for the lifetime of the Member, with a minimum period of ten (10) years of payments guaranteed. The monthly payment amount will be fixed at the time payment commences, as the Actuarial Equivalent of a life-only annuity, and is not subject to change for any reason. In the event the Member dies before the end of the ten-year guaranteed period of payment, the lump-sum Actuarial Equivalent of the unpaid benefit, determined on an interest-only basis, will be paid in a single payment to the deceased Member's designated beneficiary(ies) subject to Subsection 15.5. If there is no beneficiary designation on file with Concordia Plan Services at the date of the Member's death, or if the designated beneficiary(ies) predeceases the Member, the lump-sum amount shall be distributed to the Member's estate.
- d) Only one form of annuity. Any amounts rolled over from the Concordia Retirement Savings Plan may be paid only in the same form of annuity in which the Member will be or is receiving the Member's Primary Benefit (and/or Retirement Cash Account if applicable). Notwithstanding the foregoing, if distribution of a Member's Primary Benefit or Retirement Cash Account in the form of an annuity begins prior to rolling over an amount from the Concordia Retirement Savings Plan, and the Member's marital status changed prior to that rollover but after distribution of the Primary Benefit or Retirement Cash Account begins, the Member may elect a form of annuity for the rollover from the Concordia Retirement Savings Account that differs from the form of annuity for the Primary Benefit or Retirement Cash Account.

17.6. Direct rollovers.

- a) Application. This Subsection applies to distributions made after December 31, 2001. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this part, a distributee may elect, at the time and in the manner prescribed by Concordia Plan Services, to have any portion of an eligible rollover distribution that is equal to at least five hundred dollars (\$500) paid directly to an eligible retirement plan specified by the distributee in a direct rollover. If an eligible rollover distribution is less than five hundred dollars (\$500), a distributee may not make the election described in the preceding sentence to rollover a portion of the eligible rollover distribution.
- b) Definitions.
- i) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and the portion of any distribution that is not includible in gross income; and any other distribution(s) that is reasonably expected to a total less than two hundred dollars (\$200) during a year.
- ii) Eligible retirement plan: An eligible retirement plan is an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this plan, an individual retirement account described in section 408(a) of the Code, a Roth individual retirement plan described in section 408A of the Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, an annuity contract described in section 403(b) of the Code, or a qualified defined contribution plan described in section 401(a) of the Code, that accepts the distributee's eligible rollover distribution.
- iii) Distributee: A distributee includes a Member. In addition, the Member's surviving spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse. For distributions made after December 31, 2006, a distributee includes a designated beneficiary, as defined in section 401(a)(9)(E) of the Code, who is not a spouse.
- iv) Direct rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.
- c) Automatic rollovers. In the event of a mandatory distribution greater than one thousand dollars (\$1,000) made on or after March 28, 2005, if the Member does not elect to have such distribution paid directly to an eligible retirement plan specified by the Member in a direct rollover or to receive the distribution directly, then Concordia

Plan Services will pay the distribution in a direct rollover to an individual retirement plan designated by Concordia Plan Services. For purposes of determining whether a mandatory distribution is greater than one thousand dollars (\$1,000), the portion of the Member's distribution attributable to any rollover contribution is included.

17.7. Timing of Distributions. Benefit payments Hereunder shall be distributed (in the case of a single lump-sum payment) or begin to be distributed (in the case of an annuity) as soon as practicable after the commencement dates specified Herein in accordance with administrative procedures established by Concordia Plan Services. If required election forms are not timely received by Concordia Plan Services, distribution of benefits may begin automatically, in accordance with procedures established by Concordia Plan Services, in the Automatic Form of payment for the Primary Benefit, and in a lump sum for all other benefits. Once distributions have begun, the method of payment shall not be subject to change. If for any reason payments do not commence upon the applicable Primary Benefit Commencement Date, make-up payments representing missed monthly annuity payments may be made in accordance with procedures established by Concordia Plan Services.

17.8. Election Irrevocable upon Distribution. The election by a Member, surviving Spouse or Qualified Relative to receive a benefit in any form of payment authorized by this Plan shall be irrevocable upon distribution of such benefit in whole or in part.

SECTION XVIII

CONTRIBUTIONS

18.1. Establishing rates. The Board of Trustees shall, upon the advice of an actuary, establish the rates of contribution to be paid to the Plan.

Any contribution rate may be changed effective at the beginning of any calendar month.

18.2. Billing of contributions. Concordia Plan Services shall establish the due date for contributions and the billing period for the Plan, which will be a calendar quarter, calendar month, or other convenient period. If the full contribution due the Plan is not received by the due date, interest at a rate established by Concordia Plan Services shall be due in accordance with its procedures in effect from time to time. The rate of interest may be increased or decreased by Concordia Plan Services effective as of the beginning of any calendar month. If for any reason a Member does not receive Compensation for an entire billing period, contributions shall nevertheless be made by the Employer as required by the Plan, except as provided in Subsection 18.5. Concordia Plan Services will inform each Employer of the contributions due with respect to Members in its employ, but no error in billing shall preclude Concordia Plan Services from subsequently requiring payment of the correct amount of contributions due.

Any retroactive billing of contributions for a Worker enrolled in accordance with Subsection 2.8 of the Plan shall include interest assessed at a rate established by Concordia Plan Services in accordance with its procedures in effect from time to time.

18.3. Compensation base for contributions. If contribution rates are expressed as a percentage of Compensation, the applicable contribution rate shall be applied to the Member's annual rate of Compensation in effect on the date established each year by Concordia Plan Services. For a non-salaried Worker, such Compensation shall be the amount the Employer expects to pay such Worker during a calendar year, as estimated in good faith by the Employer as of January 1 of such year. Notwithstanding the foregoing, for a Member who is newly employed by an Employer after the annual date described in the preceding sentence, the Compensation base to be used during the Member's initial employment year shall be the annual rate of Compensation in effect upon commencement of employment. Changes in a Member's Compensation during the course of a year shall not change the contribution base unless there is a concurrent change in the Member's duties or the number of hours the Worker is regularly expected to work, in which case such changes shall be effective on the first day of the calendar month next following the date the Compensation changed. The foregoing provisions, however, pertaining to the Compensation base for contribution purposes shall be subject to other provisions of the Plan providing a special Compensation base for determining contributions due in special conditions.

18.4. Changes in contribution class. If a Member's status changes from one contribution status to another (whether resulting in a greater or lesser contribution rate), the rate of contribution payable with respect to the new status shall become effective as of the beginning of the calendar month coinciding with or next following the date of change. No additional charge or refund will be made for a change in contribution status during a calendar month.

The Employer shall report the status of each Worker at the time the Worker becomes a Member and shall make timely reports of changes in status as they occur. In the event that an Employer fails to report a Member's status correctly or to timely report a change in status, Concordia Plan Services may require the retroactive payment of contributions which were due but not made, plus interest as described in an administrative guideline approved by the Board of Trustees, or may return contributions not required, provided that contributions only may be returned for a mistake of fact within one year of the date of the contributions.

18.5. Waiver of contributions. Contributions to the Plan shall be waived in the circumstances and during the periods set forth below:

- a) Contributions to the Plan for a Disabled Member, including a Member who was totally Disabled under the provisions of the Plan as in effect on December 31, 1981, shall be waived commencing with the contributions due for the third calendar month following the date on which Disability benefits from the Concordia Disability and Survivor Plan commence. The waiver shall continue through the calendar month in which the Member ceases to receive Disability benefits from the Concordia Disability and Survivor Plan, or dies, whichever first occurs, but the payment of any benefits due to or with respect to any such Member shall not be affected in any manner by such waiver of contribution.
If no disability benefits under the Concordia Disability and Survivor Plan are payable to a disabled Worker, there shall be no waiver of contributions under the Plan. Notwithstanding the foregoing, if no disability benefits are payable solely because of the last paragraph of Subsection 4.2 b) of the Concordia Disability and Survivor Plan, during the period of no waiver of contributions, the Employer may continue to pay the Concordia Retirement Plan contributions for the disabled Worker until the Worker returns to work or the disabled Worker's employment terminates.
- b) Contributions shall be waived during a leave of absence for governmental service as provided in Subsection 5.3.
- c) Contributions shall be waived during an Eligibility Waiting Period, which is described in Subsection 2.7.

18.6. Effect of delinquent contributions. If an Employer shall fail to remit the contributions for any billing period, plus any interest due thereon, by the end of the sixth (6th) calendar month following the due date, such Employer shall be deemed to have withdrawn from the Plan as described in Subsection 19.4 c) as of the first day of the billing period for which the contribution was due. Contributions will not be accepted for a current billing period if contributions for a prior billing period for the Plan, plus any interest due, have not been remitted in full.

18.7. Allocation and irrevocability of contributions. Contributions to the Plan may be allocated in part to reasonable expenses of the Plan. All contributions to the Plan shall be irrevocable subject to appropriate adjustments or refunds due to changes in participation. Upon making any contributions to the fund, all right, title, and interest of the Employer shall cease with respect to such contributions, except the right to require the Board of Trustees to hold, use, and administer the funds in accordance with the provisions of the Plan.

18.8. Dividends from Prior Plan for LLL Workers. Any termination credits or dividends arising under the Prior Plan for LLL Workers on or after January 1, 1967, received by the Board of Trustees shall be applied to reduce the contributions otherwise due from the Lutheran Laymen's League under the Plan.

18.9. Disabled Members. Beginning in the year 2013, the Concordia Disability and Survivor Plan shall pay to the Plan the average normal cost of the benefits accrued under the Plan for the year for each Disabled Member for whom contributions are being waived pursuant to Subsection 18.5 a) of the Plan.

SECTION XIX

EMPLOYER PARTICIPATION AND OBLIGATIONS

19.1. Adoption by Member Congregations. Any Member Congregation may adopt the Plan as of the first day of any calendar month upon filing with Concordia Plan Services, prior to the applicable date, a certified copy of a resolution by the governing body of such congregation adopting the Plan.

19.2. Adoption by Affiliated Agency. Any Affiliated Agency, which qualifies for participation in the Plan as determined by Concordia Plan Services, may adopt the Plan on the first day of any calendar month upon complying with such requirements as Concordia Plan Services may specify in qualifying such Affiliated Agency.

19.3. Employer's obligations. By its adoption of the Plan, each Employer obligates itself (in addition to the obligations imposed under other provisions)

- a) to inform its Workers of their eligibility for membership in the Plan,
- b) to enroll each of its Workers and their eligible Dependents, by submitting completed enrollment forms or by following other enrollment procedures then in effect as required by Subsection 2.1 promptly, following receipt of the relevant information from its Workers, although each Worker is responsible for accurate, thorough, and proper completion of enrollment materials,
- c) to notify Concordia Plan Services of a termination of employment, the granting and termination of leaves of absence, the last day worked prior to and the first day worked after periods of Disability, and other facts or events which may be relevant in the operation of the Plan,
- d) to distribute promptly to or communicate to the Members enrolled through the Employer any notice or other communication from Concordia Plan Services pertaining to the Plan or its operation which Concordia Plan Services shall indicate is for the attention of such Members,
- e) to pay the total contribution due with respect to each Member at any time thereafter participating in the Plan by virtue of status as a Worker with such Employer, and
- f) to furnish Concordia Plan Services such information concerning the Compensation and changes in the Compensation of the Workers in its employ as may be needed by Concordia Plan Services to enable it to compute the Compensation of each Member in a manner consistent with the definition of "Compensation" in Subsection 1.6 and the contributions due with respect to each such Member.

19.4. Withdrawal.

- a) Voluntary withdrawal. An Employer may withdraw from participation in the Plan effective as of the end of any calendar month by
 - i) giving a written notice signed by an authorized officer to Concordia Plan Services at least sixty (60) days prior to the intended withdrawal date, and
 - ii) providing to Concordia Plan Services a copy of the written notice of the withdrawal given to all Workers of such Employer.

- b) Withdrawal due to noncompliance. If Concordia Plan Services determines, in its sole discretion, that an Employer is not administering the Plan in accordance with the Plan's provisions, such Employer's participation in the Plan, and the membership of its Workers and their enrolled dependents, shall be terminated as of the date determined by Concordia Plan Services.
- c) Withdrawal due to nonpayment. If an Employer fails to remit the required contributions for any billing period, plus any interest due thereon, by the end of the sixth (6th) calendar month following the due date, such Employer shall be deemed to have withdrawn from the Plan as of the first day of the first month for which payment was not made, and the membership of its Workers and their enrolled dependents shall be terminated as of the same date.
- d) Change in status. An Employer that ceases to be an Employer as defined in Subsection 1.21 for any reason may, in the sole and absolute discretion of Concordia Plan Services, be considered a withdrawn Employer as of the date of such change in status.
- e) Consequences of withdrawal. Neither the withdrawing Employer nor any Member employed by such Employer shall be entitled to a refund or adjustment of any kind for contributions previously made to the Plan. Nonforfeitable benefits accrued for each Member of the withdrawing Employer shall be retained by the Plan until such time as the benefit otherwise becomes distributable hereunder. Benefits which have not become nonforfeitable as of the date of withdrawal, excluding the Retiree Medical Supplement for any Member who has not satisfied the requirements of Subsection 12.3 a) or b) at the time of the Employer's withdrawal, shall become nonforfeitable in connection with the withdrawal if the withdrawal occurs prior to March 1, 2022. Benefits which have not become nonforfeitable as of the date of withdrawal, including non-vested benefits and the Retiree Medical Supplement for any Member who has not satisfied the requirements of Subsection 12.3 a) or b) at the time of the Employer's withdrawal, shall not become nonforfeitable in connection with the withdrawal if the withdrawal occurs on or after March 1, 2022. Withdrawal liability may be assessed under Subsection 19.5.

19.5. Liability payment due upon employer's withdrawal.

- a) Effective date. This Subsection 19.5 shall be effective for any Employer withdrawal date occurring on or after March 1, 2022.
- b) Determination of total pension Unfunded Liability. In the event of an Employer withdrawal under Subsection 19.4, the Employer shall be required to pay its share of any Unfunded Liability as determined under this Subsection. Unfunded Liability for the Plan shall be determined by Concordia Plan Services and the Plan's actuaries as of each January 1. "Unfunded Liability" for purposes of the Plan shall mean the amount, if any, by which the present value of vested accrued benefits for all Members as of January 1 of the determination year exceeds the value of plan assets as of December 31 of the prior year. The present value of vested accrued benefits shall be calculated using the actuarial assumptions documented in the current year's actuarial valuation report for the Plan and used to determine the present value of accumulated Plan benefits, provided however, that the discount rate used for the valuation report shall be reduced by fifty (50) basis points and that reduced rate shall instead be used for purposes of calculating Unfunded Liability under this Subsection. In addition, for

withdrawals occurring after the first calendar quarter of a year, Unfunded Liability shall be updated for the first day of each calendar quarter by rolling forward the present value of vested accrued benefits to the first day of the calendar quarter in which the withdrawal occurs and using the value of plan assets on the last day of the prior calendar quarter. Such roll forward shall be based on administrative procedures as may be adopted by Concordia Plan Services in its sole discretion.

- c) Determination of a withdrawing Employer's share of the pension Unfunded Liability. The determination of a withdrawing Employer's share of the Unfunded Liability shall be based on the sum of the present value of vested accrued benefits of each Member attributable to that Employer, which shall include
- i) each Member employed by the Employer on January 1 of the year of withdrawal, and
 - ii) each Member not employed by the Employer on January 1 of the year of withdrawal but for whom the Employer is the last Employer under whose employment such Member earned Creditable Service under the Plan (this shall include all such Members then receiving Retirement Benefits from the Plan and Vested Terminated Members).

The Employer's share of Unfunded Liability shall be determined by multiplying the total Unfunded Liability for the Plan as of the first day of the quarter in which withdrawal occurs by a fraction, the numerator of which is the sum of the present value of vested accrued benefits of Members attributable to the Employer as of January 1 of the year of withdrawal and the denominator of which is the sum of the present value of vested accrued benefits of all Members who are attributed to a currently participating Employer as of January 1 of the year of withdrawal. For purposes of this calculation, Concordia Plan Services shall have the authority, in its sole discretion, to exclude from the denominator any Employer who is withdrawn and then not current in paying its Unfunded Liability assessment. Present value is determined using the actuarial assumptions referenced in Subsection 19.5 b).

- d) Exemption for short-tenured Employers. If the time elapsed between an Employer's date of initial participation in the Plan and its date of withdrawal from the Plan is less than sixty (60) months, no withdrawal liability shall be assessed.
- e) Partial withdrawal liability assessment. Commencing on or after March 1, 2022, if an Employer has undergone a significant organizational event, such as a separate incorporation of a portion of its activities, merger, split up, spin-off, or similar occurrence, and the number of Workers enrolled in the Plan by such Employer as of the following January 1 is either less than sixty percent (60%) of the number of Workers enrolled in the Plan by such Employer on the previous January 1 or has decreased by 5 or more Workers, the Employer shall be determined to have partially withdrawn from the Plan on the January 1 of the year for which the number of enrolled Workers has been reduced. The Employer shall be assessed a proportional share of what would have been assessed upon a full withdrawal if a full withdrawal had occurred on such date, based on such factors as Concordia Plan Services shall determine in good faith. Concordia Plan Services shall have authority to reduce a partial withdrawal liability assessment or refrain from making such assessment if circumstances indicate that a substantially similar level of continuing contributions will be made by the Employer and/or its successor in such event.

- f) Payment of withdrawal liability assessment. An Employer's withdrawal liability assessment is payable no later than ninety (90) days after the date of withdrawal, or thirty (30) days after receipt of the written assessment from Concordia Plan Services, if later. Concordia Plan Services may, in its discretion, advise withdrawing Employers of their estimated withdrawal liability at any given time. If an Employer is unable to pay its assessment within such ninety-day period, or thirty-day period if later, Concordia Plan Services may permit the Employer to make monthly installments over a sixty-month period, with interest at the same rate then in effect for delinquent contributions to this Plan. Concordia Plan Services may require such security for installment payments as it may deem appropriate in its sole discretion. Any late installment payments shall be assessed interest at the same rate.
- g) Authority to reduce Member's accrued benefits if withdrawal liability assessment not paid when due. If an Employer that has withdrawn from the Plan is continuing operations, but the Employer's withdrawal liability assessment has not been paid when due and Concordia Plan Services has made a final determination that the assessment will not be collected, it may reduce the accrued benefits of Workers and Vested Terminated Members for whom liability is attributable to the non-paying Employer. Concordia Plan Services shall implement such methodologies as it deems appropriate, in its discretion, to carry out any benefit reductions hereunder. If an individual whose benefits were reduced under this provision should again become employed by a participating Employer, the reduction applied to that individual shall be reversed.
- h) Partial refund of assessment. If an Employer is assessed withdrawal liability attributable to a Member who, within 90 days of the Employer's withdrawal date, becomes employed by an Employer and again begins accumulating Creditable Service under this Plan, the portion of the liability assessment attributable to that Member will be refunded (or credited if not fully paid) to the withdrawing Employer, but only if requested by the withdrawing Employer within twelve months from the withdrawal date.
- i) Effect of plan termination. No withdrawal liability shall be assessed on termination of this Plan. In such event previously assessed liability shall remain due but the provisions of Subsection 25.3 shall control.
- j) Withdrawal liability dispute. Any dispute pertaining to withdrawal liability hereunder shall be resolved using the process set forth in Subsection 20.11.

19.6. Participation in Concordia Disability and Survivor Plan required. Notwithstanding any other provisions of the Plan, no Member Congregation or Affiliated Agency may adopt the Plan and become an Employer on or after July 1, 1969, unless it shall simultaneously adopt and become an Employer under the Concordia Disability and Survivor Plan which was originally adopted by action of the Board of Directors of the Synod effective as of July 1, 1969, and no Employer participating in the Plan on July 1, 1969, may continue to participate in the Plan from and after said date unless it is an Employer under said Concordia Disability and Survivor Plan.

SECTION XX

BOARD OF TRUSTEES

20.1. Appointment of Board. The Board of Trustees shall be composed of sixteen (16) persons consisting of: fifteen (15) voting members appointed by the Board of Directors of the Synod and the Chief Financial Officer of the Synod, *ex officio*, who shall be a nonvoting member. The voting members shall be:

- a) two (2) ministers of religion-ordained,
- b) one (1) minister of religion-commissioned, and
- c) twelve (12) laypersons, at least five (5) of whom shall be experienced in the design of employee benefit plans, at least five (5) of whom shall be experienced in the management of benefit plan investments, and at least one (1) of whom shall have significant financial/audit experience.

Each voting member of the Board of Trustees shall be appointed to serve a three (3) year term, such terms being staggered in order that no more than five (5) members of the Board of Trustees shall be subject to replacement by reason of expiration of term in any year, provided that each voting member shall serve until his or her successor is duly appointed and takes office. A voting member cannot serve beyond four (4) successive three-year terms, but such member may again become eligible for appointment to the Board of Trustees after an interval of three (3) or more years.

The Chief Financial Officer of the Synod shall serve as a nonvoting member of the Board of Trustees until his or her successor is duly appointed and takes office.

20.2. Officers. The members of the Board of Trustees shall elect a chairperson, who shall be a layperson, a secretary, and such other officers as it may from time to time deem advisable. The secretary may be, but need not be, a member of the Board of Trustees.

20.3. Official actions. The Board of Trustees shall act by a majority of its members at the time in office, and such action may be taken by a vote at a meeting or in writing without a meeting. Members of the Board of Trustees may participate in a meeting of the Board by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting in such manner shall constitute presence in person at such meeting. No member of the Board of Trustees shall vote or decide upon any matter relating solely to the rights or benefits for such member or such member's dependents under the Plan. The Board of Trustees may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of one or more members of the Board of Trustees, and any such committee, to the extent and subject to such limitations as may be provided in the resolution of the Board of Trustees, shall have and may exercise all the powers and authority of the Board of Trustees.

20.4. Records. All acts and determinations of the Board of Trustees shall be recorded by the secretary thereof, and all such records, together with such other documents as may be necessary for the administration of the Plan, shall be preserved in the custody of the secretary and shall be subject to inspection by any person having a legitimate interest therein.

20.5. No compensation. Members of the Board of Trustees shall serve in such capacity without compensation.

20.6. General powers. The Board of Trustees shall have the power to administer the Plan and to administer and invest the Trust fund and shall have all general and incidental powers and duties appropriate for the performance of such functions, including, but not limited to, the powers and duties mentioned elsewhere in the Plan or set forth in the following Subsections of this Section. The Board of Trustees shall not, however, have the power, duty, or authority to add to, or amend, any provisions of the Plan except to the extent, and within the limitations, assigned to the Board of Trustees from time to time by the Board of Directors of the Synod. The Board of Trustees may delegate the power to administer the Plan (but not the Trust fund) to Concordia Plan Services, a nonprofit corporation established by the Synod for that purpose, subject to such limitations as the Board of Trustees may establish from time to time.

20.7. Financial duties. Concordia Plan Services shall collect and receive all contributions due and payable at such times and in such installments as are provided for in the Plan and the Board of Trustees and Concordia Plan Services shall have the power to pay or authorize benefit payments and charges from the Trust fund as provided in the Plan.

20.8. Custodians. The Board of Trustees or Concordia Plan Services shall enter into one or more agreements appointing a corporation or corporations possessing trust powers as custodians of the Trust fund or designated portions thereof. If so desired, a custodian may be authorized to pay on order of the Board of Trustees or Concordia Plan Services any benefits or charges due and payable under the Plan. The Board of Trustees or Concordia Plan Services may from time to time revoke any such appointment and enter into an agreement appointing another corporation possessing trust powers as custodian.

20.9. Payment of Plan expenses The Board of Trustees and Concordia Plan Services shall have the power, in their absolute discretion, to employ or appoint such staff, agents, attorneys, accountants, actuaries, investment advisors, specialists or other advisors, administrators, and clerical and other assistants and incur such capital or operating expenses as it deems necessary for the Plan and Trust fund. All expenses incurred may be paid from funds of the Trust or contributions.

20.10. Rules and regulations. Concordia Plan Services shall have the power and authority to promulgate rules and regulations, not inconsistent with the Plan, for the better operation of the Plan, and by its rules and regulations to construe and interpret the provisions of the Plan to resolve any ambiguity or supply any omission or reconcile any inconsistencies; provided, however, that no such rules and regulations shall exceed any limitations assigned to the Board of Trustees by the Board of Directors of the Synod. All such rules and regulations shall be recorded in administrative policies maintained by Concordia Plan Services and shall be applied in a uniform manner to all Employers or persons whose situations are similar.

20.11. Determination of individual rights. All disputes arising out of or relating to this Plan and the rights and obligations under it shall be resolved using the process outlined in this Subsection 20.11. Any dispute regarding the formation, validity, or enforceability of this Subsection 20.11 shall be governed by the Federal Arbitration Act and determined by an arbitrator who is selected using the process outlined in paragraph b) below. If any portion of this Subsection is determined to be invalid or unenforceable, that portion shall be severed and the remainder of this Subsection 20.11 shall be enforced.

- a) Potential legal claims or disputes shall be brought to the Appeals Review Committee ("ARC") as a condition precedent to arbitration under paragraph b). Failure to submit an appeal to the ARC will result in a forfeiture of the Member's rights under the Plan to pursue a claim. Notice of a potential claim or dispute, or notice of the appeal of a decision relating to this Plan, shall be given to the ARC, with enough supporting material for the ARC to make a determination of the claim, by first class mail to:

Appeals Review Committee, Concordia Plan Services, P.O. Box 229007, St. Louis, Missouri 63122-9007. The ARC shall have discretionary authority to interpret Plan provisions that may be unclear or ambiguous in any particular circumstance, or otherwise to decide claims or disputes. No action by the ARC in any particular instance shall establish a binding precedent for any subsequent matter. The determination by the ARC of any such questions shall be final and conclusive subject to arbitration under paragraph b).

- b) If the parties are not able to resolve the entire dispute through the ARC process, then any unresolved claims shall be determined by binding arbitration administered either by: i) JAMS, the Resolution Experts (“JAMS”), under its Streamlined Arbitration Rules before a single arbitrator, or ii) U.S. Arbitration and Mediation, under its Rules of Arbitration, with one of these two arbitration services to be selected by the Member, Member’s Dependent, or Employer, or in the absence of a selection by the foregoing, by Concordia Plan Services (the “Arbitration Service”). (If JAMS is chosen and the dispute falls outside the scope of JAMS’ Streamlined Rules, then JAMS’ Comprehensive Arbitration Rules shall apply.) The location of the arbitration hearing shall be determined by agreement of the parties, or, if they are unable to agree, by the arbitrator(s). All claims shall be pursued individually; any ability to bring collective or class actions is expressly waived. Furthermore, neither party shall have the ability to recover punitive or exemplary damages. A party shall have one (1) year from the date it knew or should have known of its claim to commence arbitration; claims not instituted in that time period are barred. While the Federal Arbitration Act governs the enforcement and interpretation of this Subsection, Missouri law will otherwise apply to any disputes. Judgment on the final award may be entered in any court having jurisdiction.
- c) Before demanding arbitration, or at any time during the arbitral proceeding, either party may commence non-binding mediation by providing to the Arbitration Service and the other party a written request for mediation, setting forth the subject of the dispute and the relief requested. The parties will cooperate with the Arbitration Service and with one another in selecting a mediator from the Arbitration Service panel of neutrals and in scheduling the mediation proceedings. The parties agree that they will participate in the mediation in good faith and that they will share equally in its costs.
- d) In an arbitration under paragraph b) above or a mediation under paragraph c) above, Concordia Plan Services will pay all case management fees incurred, but both sides are expected to equally share the professional fees of the arbitrator or the mediator, respectively. In no instance shall Concordia Plan Services’ attorneys’ fees, or its share of professional fees, be assessed against a Member, a Member’s Dependent, or an Employer.
- e) The Board of Trustees will not amend this Subsection 20.11 without giving at least thirty (30) days’ notice to Members, and no amendment will apply to disputes of which the ARC is already aware at the date of giving such notice.
- f) For ministers, Member Congregations, Controlled Organizations, the Synod, persons involved in excommunication, and congregants who hold positions with the Synod or a Controlled Organization, the synodical Dispute Resolution Section of the Handbook of the Synod in effect at the time the dispute is raised controls the applicable dispute resolution process, notwithstanding paragraphs a) through e) of this Subsection 20.11. If the process set forth in the Dispute Resolution Section of the Handbook fails to result

in a binding decision for any reason, or if the parties mutually agree, then the procedure set forth in this Subsection will provide the dispute resolution process.

20.12. Power to exclude certain Employers -- Workers. The Board of Trustees may exclude from the Plan, other provisions contained Herein to the contrary notwithstanding, an Employer or the Workers of any Employer who are foreign nationals or residents in a foreign country, if the inclusion of such Workers would affect the status of the Trust as an exempt trust under section 501 of the Code or if the Board of Trustees determines that the Plan would not operate in the best interests of such Workers, or if the inclusion of such Workers would present excessively complicated or difficult problems in the administration and operation of the Plan.

20.13. Cooperation from Employers -- others. The Board of Trustees shall maintain or cause to be maintained suitable and adequate records of and for the administration of the Plan and Trust fund. The Board of Trustees or Concordia Plan Services may require the Employers, any individual Employer, or any Member, Inactive Member, or Retired Member to submit to it any information, data, report, or documents relevant and suitable for the purposes of such administration and may decline to enroll any Worker or Dependent, and withhold any benefits payable, until the requests are complied with. The Employers agree that they will use their best efforts to secure compliance with any reasonable request of the Board of Trustees or Concordia Plan Services for any such information, data, report, or document.

20.14. Accounts and reports. Concordia Plan Services shall maintain accounts showing the fiscal transactions of the Plan and Trust fund and shall keep in convenient form such data as may be necessary for actuarial valuations of the assets and liabilities of the Plan. Concordia Plan Services shall prepare annually and make available to all participating Employers a report giving a summary of the assets and liabilities of the Plan, an account of the operation of the Plan for the past year, and any further information which may be deemed advisable by the Board of Trustees.

20.15. Power to borrow. Concordia Plan Services shall have the power to borrow money for temporary or emergency purposes of the Trust from any source, upon such terms and conditions as the Board of Trustees may deem desirable and proper, and for any money so borrowed to issue promissory note or notes and to cause the custodian to execute a pledge of all or any part of the Trust fund as security for the repayment thereof; provided, however, that Concordia Plan Services shall not effect any such borrowing from any other funds which may be committed in trust to the Board of Trustees.

20.16. Power to create special rules for certain unique classifications of employees. The Board of Trustees may create special policies and/or procedures that regulate how the eligibility, enrollment, benefits, and other provisions of this Plan apply to employees in certain employment classifications, including, but not limited to, classifications of foreign missionaries and military chaplains. The intent of such policies and procedures is to provide some flexibility within the Plan provisions that recognizes that for employees in certain employment classifications, adjustments to eligibility rules or benefits may be needed. Any employment classification designated by the Board of Trustees for such a special policy or procedure must be established and administered on a reasonable, nondiscriminatory basis and otherwise be in accordance with the provisions of the Plan and its administrative rules. Each eligible Worker in a designated employment classification must be provided and offered coverage on the same terms and conditions as each other Worker in that employment classification. Such policies and procedures may be amended or terminated at any time by the Board.

SECTION XXI

THE TRUST FUND

21.1. Contributions in trust. Except as provided under Subsection 18.7, all Employer contributions shall be committed in trust to the Board of Trustees and held as a Trust fund for the benefit of Members, enrolled dependents, Vested Terminated Members, and Retired Members. No part of the corpus or income of the Trust fund shall be used for or diverted to purposes other than for the exclusive benefit of Members, enrolled dependents, Vested Terminated Members, and Retired Members under the Plan or Retired Participants under the Prior Plan for Lay Workers; but this provision shall not prevent the payment of expenses from the Trust in accordance with the provisions of Subsection 20.9. No Member, enrolled dependent, Vested Terminated Member, Retired Member, or any other person shall have any right to or interest in any portion of any funds which an Employer may contribute to the Trust fund for the purpose of paying benefits or any right to or interest in any part of the earnings of the Trust fund, or any right or interest in any part of the Trust assets, except and as to the extent expressly provided for in the Plan. No forfeiture by any Member or other person of any right to or interest in the Trust fund, or any part of the assets thereof, shall be used to increase the benefits otherwise provided under the Plan for any other Member or person.

21.2. Investments. The Board of Trustees shall invest and reinvest the principal and income of the Trust fund and keep the same invested without distinction between principal and income, in such property, real or personal, as seems desirable to it and shall not be limited or restricted to investments for trustees as prescribed by any present or future statute or law of any state. Without limiting the generality of the foregoing power, and by way of illustration only, the Board of Trustees shall have the power to invest and reinvest the Trust fund in real estate, leaseholds, real estate mortgages, bonds, debentures, common stocks, preferred stocks, investment trust certificates, equipment trust obligations, secured or unsecured, mutual funds, exchange traded funds, common or collective funds and other investment instruments, including options, forward purchase agreements, derivatives and hedges, including interest rate swaps, caps and collars, and other property, real or personal, whether within or without the State of Missouri or the state where any investment agent may be located. Up to twenty percent (20%) of the total assets of the Trust fund may be invested in Church Extension Funds of the Synod or any district thereof, provided the quality and yield of any such investment compares favorably in the opinion of the Board of Trustees (and any investment agent which may at that time be empowered to invest the portion of the fund affected) with other available investments; and further provided that no such investment shall be made if it would constitute a "prohibited transaction" as that term is defined in section 503 of the Code. The Board of Trustees, in its discretion, may retain a reasonable portion of the Trust fund in cash for the payment of expenses and the benefits under this Trust and while awaiting investment. Any cash so retained may be deposited in any bank without liability for interest thereon.

An investment agent may cause any part or all of the assets of the Trust fund to be invested in any collective trust which is maintained by the investment agent as a medium for the collective investment of funds of pension, profit sharing or other employee benefit plans, and which is qualified under section 401(a) and exempt from taxation under section 501(a) of the Code and any assets invested in such collective trust fund shall be held and invested pursuant to all the terms and conditions of the trust agreement or declaration of trust establishing such trust, which are hereby incorporated by reference and shall prevail over any contrary provision Herein contained.

21.3. Powers of the Board of Trustees. The Board of Trustees shall have the full power and authority to manage the investments of the Trust fund and otherwise deal with the same, and shall have full power to do any and all things incident thereto. Without limiting the foregoing power, the Board of Trustees is authorized and empowered:

- a) to sell, assign, lease, exchange, convey, transfer, or otherwise dispose of, and also to grant options with respect to, any property at any time held as part of the Trust fund, on such terms and conditions, for cash or on credit, or partly for cash and partly for credit, as to it may seem expedient;
- b) to compromise, compound, and settle any debt or obligation due to or from the Trust fund and to reduce the rate of interest on, to extend, or otherwise modify or enforce, any such obligation;
- c) to vote in person or by proxy (discretionary or otherwise), or to take any other action with respect to any securities at any time held by it Hereunder; to enter into any voting trust and other similar arrangement in respect thereof; to deposit any and all thereof under any deposit, merger, consolidation, reorganization, or other similar agreement or with any committee, depository, or trustee; to accept and retain Hereunder any new securities, cash and/or other property issuable in exchange for or in respect of securities so deposited; to exercise or sell all rights of subscription or other rights accruing on or in respect thereof; and generally to take any and all action in respect thereof which it might or could take as absolute owner thereof, and it shall have power to pay out of the Trust fund any and all fees, assessments, and expenses incurred in connection therewith;
- d) to hold any investment in registered form in the name of the Trust fund or in the name of one or more of its nominees; and to hold any securities in bearer form;
- e) to enforce any right, obligation, or claim in its absolute discretion and, in general, to protect in any way the investments of the Trust fund, either before or after default, and where it shall consider such action for the best interests of the Trust fund, in its absolute discretion, to abstain from the enforcement of any right, obligation, or claim or to abandon any property which at any time may be a part of the Trust fund;
- f) to require information for Concordia Plan Services to make determinations, in its absolute discretion, as to marital status;
- g) to adopt such requirements, guidelines and procedures concerning domestic relations orders and the qualifications thereof as the Board of Trustees deems appropriate in its absolute discretion.

Whenever in its judgment it believes such action to be advisable and in the best interest of participants and others who may be entitled to benefits under the Plan, the Board of Trustees may appoint one or more investment agents (who or which must be either i) registered as an investment adviser under the Investment Advisers Act of 1940, ii) a bank as defined in such Act, or iii) an insurance company qualified under the laws of Missouri to manage, acquire, or dispose of assets of an employee benefit plan) selected by it, to manage the assets held by the Board of Trustees Hereunder or some specified portion thereof, granting such investment agent(s), if the Board of Trustees believes it proper, the power to acquire or dispose of such assets in the sole discretion of the investment agent(s) without consultation with or the approval of the Board of Trustees, and any such appointment shall be for a term certain or until revoked by the Board of Trustees, as the Board of Trustees shall specify at the time of such appointment.

21.4. Third persons' duties. No person dealing with the Board of Trustees or with an investment agent shall be required to make inquiry as to the authority of the Board of Trustees or of the investment agent to do any action which the Board of Trustees or an investment agent may purport to do Hereunder, and any such person shall be entitled conclusively to assume that the Board of Trustees

or the investment agent is properly authorized to do any act which they purport to do Hereunder. Any person dealing with the Board of Trustees or an investment agent may conclusively assume that the Board of Trustees or the investment agent has full power and authority to receive and receipt for any money or property due and payable to the Board of Trustees or the investment agent, as the case may be, and no such person shall be bound to inquire or see to the disposition or application of any money or property paid to or delivered to the Board of Trustees or the investment agent, or paid or delivered in accordance with the written directions of the Board of Trustees.

21.5. Exculpation. Neither the Board of Trustees nor Concordia Plan Services shall be liable for the adequacy of the Trust fund to meet and discharge any and all payments and liabilities under the Plan, nor shall either be responsible for the performance, administration, and carrying out of the Plan by the Employers or any obligations or duties except as expressly stated in the Plan or in any subsequent amendments thereto. Neither the Board of Trustees nor Concordia Plan Services shall be liable for any mistake of judgment or other action taken in good faith, or for any loss, unless resulting from its own willful neglect or bad faith; and neither the Board of Trustees nor Concordia Plan Services shall be liable for any loss sustained by the Trust fund by reason of the purchase, retention, sale, or exchange of any investment in good faith and in accordance with the provisions hereof or of an agreement between the Board of Trustees or Concordia Plan Services and an investment agent. The Board of Trustees and Concordia Plan Services shall be responsible only for its own acts and omissions, and shall have no liability to any person or party whomsoever for the acts or omissions of others or of any investment agent appointed by it in good faith. The Synod will indemnify any person who is made party to any action, suit or proceeding, whether civil, criminal, administrative or investigative, because of membership on the Board of Trustees against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding, except as to any matter in which such person shall be finally adjudged in such action, suit, or proceeding i) to be liable for misconduct in the performance of duties of such person or ii) to have breached any fiduciary duty for which personal liability is imposed and for which indemnification is contrary to public policy as set forth in any applicable statute or judicial decision. This right shall extend to any action, suit, or proceeding which is settled or compromised prior to final judgment, and shall not be exclusive of any other rights to which such person may be entitled as a matter of law.

Indemnification (unless ordered by a court) shall be made only as authorized in a specific case upon a determination by the Synod that the indemnification is proper in the circumstances. Expenses incurred in defending an action, suit, or proceeding may be paid in advance of final disposition if the person agrees to repay the amount in question if it is ultimately determined that the person is not entitled to be indemnified as authorized by this Subsection.

Indemnification under this Subsection is not exclusive of any other rights to which those seeking indemnification may be entitled under any law, agreement, or other action, and the right to be indemnified in appropriate circumstances shall continue for a person who has ceased to occupy a position for which indemnity is available and shall inure to the benefit of the heirs, executors, and administrators of such person.

The Board of Trustees may authorize the purchase and maintenance of insurance against any liability which might be asserted against any person entitled to be indemnified, and if insurance is in effect, payment of indemnity may be made by the insurer without any specific authorization by the Synod.

Except as may be required by law, no bond or other security shall be required of any member of the Board of Trustees for the faithful performance of the duties of such office.

SECTION XXII

SPECIAL PROVISIONS APPLICABLE TO PARTICIPANTS UNDER PRIOR PLANS

22.1. Prior Plan for Professional Workers. Every Worker who was a participant under the Prior Plan for Professional Workers and who is not precluded from participation Hereunder by the Board of Trustees pursuant to Subsection 20.12 shall become a Member of the Plan on the Effective Date of the Plan applicable to the Worker's Employer, if the Worker has not attained age sixty (60) on such date; provided, however, that if under the terms of such Prior Plan such Worker is offered the option of continuing as a participant in such Prior Plan and exercises such option, the Worker shall not then or thereafter become a Member of the Plan.

22.2. Normal retirement date. The normal retirement date of a member of the Prior Plan for Professional Workers shall be the first day of the month which coincides with or next follows the date on which the member attains age sixty-five (65).

22.3. Prior Plan for Lay Workers. Every Worker who was a participant under the Prior Plan for Lay Workers on the Effective Date of the Plan shall become a Member of the Plan as of that date; and any person who was a "Retired Participant" under the Prior Plan for Lay Workers, or the beneficiary of such a Retired Participant, or of a deceased Retired Participant, shall be entitled to payments from the funds of the Plan in accordance with the provisions of this SECTION XXII.

22.4. Nonreduction of benefits. Any provisions in the Plan to the contrary notwithstanding, the portion of the Retirement Benefit determined under the Plan which is attributable to service prior to the effective date in the case of a Member who was a participant under the Prior Plan for Lay Workers, shall not be less than the benefit which would have been payable to the Member under the provisions of such Prior Plan with respect to such period of service.

22.5. Assumption of assets and liabilities. Immediately following the date on which the assets of the Prior Plan for Lay Workers are received as provided in Subsection 22.6, the Plan shall assume the liability for remaining payments provided for under such Prior Plan to persons who as of such date are Retired Participants or beneficiaries of Retired Participants or of deceased Retired Participants under such Prior Plan. Subject to the provisions of Subsection 22.6, payments shall be made to such persons in such amounts and under such circumstances as are certified to be correct by the Retirement Committee of the Prior Plan for Lay Workers.

22.6. Merger of plans. Upon the Effective Date of the Plan or as soon thereafter as may be practicable, the assets of the Prior Plan for Lay Workers shall be received from the Synod's Treasurer as a contribution made with respect to all persons covered under such Prior Plan on the effective date, including retired persons. Such assets shall be merged with all other assets of the Trust fund, but in order to insure that such assets and any income derived therefrom are not diverted to purposes other than the exclusive advantage of persons covered under such Prior Plan, including retired persons, a separate account shall be maintained to which an amount equal to the market value, as determined by Concordia Plan Services, of the assets so transferred shall be credited, together with investment earnings and any increase in the market value of capital assets as allocated from time to time by Concordia Plan Services. The account shall be charged with any decrease in the market value of capital assets and with all payments made after the date of transfer to employees or their dependents or retired former employees and their beneficiaries on account of Creditable Service accrued prior to the Effective Date of the Plan. If, after all such employees have retired or otherwise terminated employment, or prior thereto, Concordia Plan Services shall determine upon the advice of an actuary that the balance in such account, if any, is greater than the amount required to pay the remaining benefits for such prior Creditable Service, the benefits of such retired employees, retired former

employees, and their beneficiaries shall be proportionately increased by amounts which shall have an aggregate value actuarially equivalent to such remaining balance, at which time the account shall be closed. The account may likewise be closed if at any time Concordia Plan Services shall determine upon the advice of an actuary that the amount in the account is clearly not in excess of the present value of the remaining benefits attributable to such prior Creditable Service.

22.7. Prior Plan for LLL Workers. Every worker who was covered under the Prior Plan for LLL Workers on January 1, 1967, and who had not prior to that date either retired or attained normal retirement date under such Prior Plan shall become a Member as of January 1, 1967. Every other worker of the Lutheran Laymen's League shall become a Member of the Plan only according to the requirements and provisions for membership under SECTION II.

22.8. Reduction of benefits. Any benefit payment made under the Plan to a Worker who was covered under the Prior Plan for LLL Workers shall be reduced by the amount of any payment for a corresponding period or periods of time under the Prior Plan for LLL Workers; provided, however, that the amount of such reduction shall be based on the normal form of annuity under the Prior Plan for LLL Workers if actual payments are based on some optional form of annuity. The amounts of such reduction and the dates as of which they become applicable shall be as shown in an Appendix attached to the original copy of the Plan, and such amounts shall be used for determining net benefit payments under the Plan unless, at the option of Concordia Plan Services, actual payments of different amounts commencing at different dates are substituted and appropriate actuarial allowance made therefor.

22.9. Special Creditable Service for lay workers. Effective as of October 1, 1986, the Creditable Service for all Members of the Plan on that date who were members of the Prior Plan for Lay Workers shall be increased by the Creditable Service with which the Worker would have been credited for service covered by such Prior Plan but for the provisions of such Prior Plan for Lay Workers (a) requiring that service prior to age thirty-five (35) be disregarded for plan purposes, and (b) limiting creditable service under such plan to thirty (30) years. Any benefit payment under the Plan to (or with respect to) a Worker who was covered under the Prior Plan for Lay Workers shall be computed based on the Worker's Creditable Service as increased pursuant to the foregoing sentence.

22.10. Pension Plan for Pastors and Teachers. The PPPT was merged into the Plan effective as of the PPPT Merger Date. Upon such merger, all liabilities, assets and obligations of the PPPT were transferred to the Trust of the Plan in a direct trust-to-trust transfer, and all members of the PPPT became PPPT Members of the Plan. The Plan shall assume and become solely liable for all obligations of the PPPT and the Plan shall pay all benefits and other sums that would have become due and payable thereafter under the PPPT. This responsibility extends to, and includes, full responsibility for any "Supplemental Benefits" (as that term is defined in the PPPT) that may become payable after the PPPT Merger Date. It is intended that this plan of merger be in full compliance with section 414(z) of the Code and that each PPPT participant and/or beneficiary shall, after the merger, receive benefits under the Plan that are nonforfeitable and actuarially equivalent to the benefits such participant and/or beneficiary would receive immediately before the merger.

22.11. Disposition of PPPT assets. Upon receipt of the assets transferred from the PPPT as described in Subsection 22.10, such assets shall be combined with all other assets of the Trust fund.

22.12. Death benefits for PPPT Members. Upon the death of a vested terminated or retired PPPT Member following the PPPT Merger Date,

- a) the surviving Enrolled Dependent Spouse on the date of annuity commencement shall receive as a death benefit from the Plan an annuity equal to sixty percent (60%) of the annuity from the PPPT which such retired PPPT Member had been receiving. For

purposes of this Subsection 22.12(a), Enrolled Dependent Spouse shall have the meaning set out in Subsection 15.1 a) iv) Herein. If no such surviving Enrolled Dependent Spouse survives the retired PPPT Member, no further annuity is payable. Notwithstanding the foregoing, however, a refund of the excess of the Personal Accumulation (as that term was defined in the PPPT) over the sum of the annuity payments made, if any, will be made to the designated beneficiary subject to Subsection 15.5; if none, to the surviving Spouse or Qualified Relative, if living; if none, to the surviving Children; if none, to the PPPT Member's estate; and

- b) the designated beneficiary (subject to Subsection 15.5) shall receive a lump-sum death benefit of five hundred dollars (\$500) if such Member is not also a Member of the Plan in some other capacity. If there is no designated beneficiary, then such benefit shall be payable to the surviving Spouse or Qualified Relative, if living; if none, to the surviving Children; if none, to the PPPT Member's estate; and
- c) upon the death of a PPPT Member who is also a Member of the Plan in some other capacity, lump-sum death benefits shall be payable from the Plan as provided in SECTION XV.

SECTION XXIII

PROVISION TO PREVENT DISCRIMINATION

23.1. Restriction of benefits upon Plan termination. In the event the Plan is terminated, the benefit of any highly compensated employee (and any former highly compensated employee) is limited to a benefit that is nondiscriminatory under section 401(a)(4) of the Code.

- a) Restrictions on distributions. In any year, the benefits which may be paid to or on behalf of a restricted employee shall not exceed an amount equal to the payments that would be made to or on behalf of the restricted employee in that year under
 - i) A Straight Life Annuity that is the actuarial equivalent of the accrued benefit and other benefits to which the restricted employee is entitled under the Plan (other than a Social Security supplement); and
 - ii) A Social Security supplement, if any, that the restricted employee is entitled to receive.
- b) Restricted employee defined. For purposes of paragraph a), the term “restricted employee” generally means any of the twenty-five (25) most highly compensated active employees or former highly compensated employees.
- c) Highly compensated employee defined. For purposes of paragraph a), the term “highly compensated employee” shall mean each Member who during the preceding Plan Year received Limitation Compensation from an Employer (excluding any cash housing allowance) in excess of one hundred ten thousand dollars (\$110,000) (or such greater amount provided by the Secretary of the United States Treasury pursuant to section 414(q) of the Code). The one hundred ten thousand dollar (\$110,000) amount is adjusted at the same time and in the same manner as under section 415(d) of the Code.
- d) Benefit defined. For purposes of paragraph a), the term “benefit” includes, among other benefits, loans in excess of the amounts set forth in section 72(p)(2)(A) of the Code, any periodic income, any withdrawal values payable to a living employee or former employee, and any death benefits not provided for by insurance on the employee’s or former employee’s life.
- e) Nonapplicability in certain cases. The restrictions in paragraph a) do not apply, however, if any one of the following requirements is satisfied:
 - i) After taking into account payment to or on behalf of the restricted employee of all benefits payable to or on behalf of that restricted employee under the Plan, the value of Plan assets equal or exceed one hundred ten percent (110%) of the value of current liabilities, as defined in section 412(1)(7) of the Code.
 - ii) The value of the benefits payable to or on behalf of the restricted employee is less than one percent (1%) of the value of current liabilities before distribution.
 - iii) The value of the benefits payable to or on behalf of the restricted employee do not exceed the amount described in section 411(a)(11)(A) of the Code.

- f) Determination of current liabilities. For purposes of paragraph a), the value of current liabilities and the value of Plan assets shall be actuarially determined in accordance with the actuarial principles recommended by the Plan's actuaries and approved by the Board of Trustees.

23.2. Prior Plan for Lay Workers. With respect to any Member who was a participant under the Prior Plan for Lay Workers, the limitations of this SECTION XXIII shall apply only to the excess, if any, of the benefits provided Hereunder over the benefits which would have been provided under such Prior Plan if it had continued without change.

23.3. Automatic deletion. In the event that it shall be determined by statute, court decision, ruling by the Internal Revenue Service, or otherwise, that the provisions of this SECTION XXIII are no longer necessary to qualify the Plan under the Code, this SECTION XXIII shall automatically be deemed to have been deleted from the Plan without the necessity of formal amendment thereof.

SECTION XXIV

CONTINGENT PROVISIONS FOR YEARS WHEN PLAN IS TOP-HEAVY

24.1. Special definitions and rules of construction. For purposes of applying the special rules set out in this Section, the following terms shall have the following meanings:

- a) “Top-Heavy Plan”: For any Plan Year beginning after December 31, 1983, this Plan is top-heavy if any of the following conditions exists:
 - i) If the Top-Heavy Ratio for the Plan exceeds sixty percent (60%) and the Plan is not part of any Required Aggregation Group or Permissive Aggregation Group of plans.
 - ii) If the Plan is a part of a Required Aggregation Group of plans but not part of a Permissive Aggregation Group and the Top-Heavy Ratio for the group of plans exceeds sixty percent (60%).
 - iii) If the Plan is a part of a Required Aggregation Group and part of a Permissive Aggregation Group of plans and the Top-Heavy Ratio for the Permissive Aggregation Group exceeds sixty percent (60%).

- b) “Top-Heavy Ratio”:
 - i) If an Employer maintains one or more defined benefit plans and the Employer has not maintained any defined contribution plan (including any simplified employee pension, as defined in section 408(k) of the Code) which during the five (5)-year period ending on the Determination Date(s) has or has had account balances, the Top-Heavy Ratio for this Plan alone or for the Required or Permissive Aggregation Group as appropriate is a fraction, the numerator of which is the sum of the present value of accrued benefits of all Key Employees as of the Determination Date(s) (including any part of any accrued benefit distributed in the one (1)-year period ending on the Determination Date(s) five (5)-year period ending on the Determination Date in the case of a distribution made for a reason other than severance from employment, death, or disability), and the denominator of which is the sum of the present value of accrued benefits (including any part of any accrued benefits distributed in the one (1)-year period ending on the Determination Date(s) five (5)-year period ending on the Determination Date in the case of a distribution made for a reason other than severance from employment, death, or disability), determined in accordance with section 416 of the Code and the regulations thereunder.
 - ii) If an Employer maintains one or more defined benefit plans and the Employer maintains or has maintained one or more defined contribution plans (including any simplified employee pension) which during the five (5)-year period ending on the Determination Date(s) has or has had any account balances, the Top-Heavy Ratio for any Required or Permissive Aggregation Group as appropriate is a fraction, the numerator of which is the sum of the present value of accrued benefits under the aggregated defined benefit plan or plans for all Key Employees, determined in accordance with i) above, and the sum of account balances under the aggregated defined contribution plan or plans for all Key

Employees as of the Determination Date(s), and the denominator of which is the sum of the present value of accrued benefits under the defined benefit plan or plans for all participants, determined in accordance with i) above, and the account balances under the aggregated defined contribution plan or plans for all participants as of the Determination Date(s), all determined in accordance with section 416 of the Code and the regulations thereunder. The account balances under a defined contribution in both the numerator and denominator of the Top- Heavy Ratio are increased for any distribution of an account balance made in the one-year period ending on the Determination Date (five-year period ending on the Determination Date in the case of a distribution made for a reason other than severance from employment, death, or disability).

- iii) For purposes of i) and ii) above, the value of account balances and the present value of accrued benefits will be determined as of the most recent valuation date that falls within or ends with the twelve-month period ending on the Determination Date, except as provided in section 416 of the Code and the regulations thereunder for the first and second Plan Years of a defined benefit plan. The account balances and accrued benefits of a Member (1) who is not a Key Employee but who was a Key Employee in a prior year, or (2) who has not been credited with at least one (1) hour of service with any Employer maintaining the Plan at any time during the one-year period ending on the Determination Date will be disregarded. The calculation of the Top-Heavy Ratio, and the extent to which distributions, rollovers, and transfers are taken into account will be made in accordance with section 416 of the Code and the regulations thereunder. Deductible employee contributions will not be taken into account for purposes of computing the Top-Heavy Ratio. When aggregating plans the value of account balances and accrued benefits will be calculated with reference to the Determination Dates that fall within the same calendar year.

The accrued benefit of a Member other than a Key Employee shall be determined under (A) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the Employer, or (B) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of section 411(b)(1)(C) of the Code.

- c) "Permissive Aggregation Group": The required aggregation group of plans plus any other plan or plans of an Employer which, when considered as a group with the Required Aggregation Group, would continue to satisfy the requirements of sections 401(a)(4) and 410 of the Code (to the extent applicable to a church plan).
- d) "Required Aggregation Group": (i) Each qualified plan of an Employer in which at least one Key Employee participates or participated at any time during the Plan Year containing the Determination Date or any of the four (4) preceding Plan Years (regardless of whether the plan has terminated), and (ii) any other qualified plan of the Employer which enables a plan described in (i) to meet the requirements of sections 401(a)(4) or 410 of the Code (to the extent applicable to a church plan.)
- e) "Determination Date": With respect to any Plan Year, the last day of the preceding Plan Year.
- f) "Key Employee": Any employee or former employee (including any deceased employee) of an Employer who at any time during the Plan Year that includes the

Determination Date is an officer of the Employer having annual compensation greater than one hundred sixty thousand dollars (\$160,000) (as adjusted under section 416(i)(1) of the Code). For this purpose, "annual compensation" means compensation within the meaning of section 415(c)(3) of the Code. The determination of who is a Key Employee will be made in accordance with this section 416(i)(1) of the Code and the applicable regulations and other guidance of general applicability issued thereunder.

- g) "Non-Key Employee": Any Employee who is not a Key Employee.
- h) "Valuation Date": The date elected by the Employer as of which account balances or accrued benefits are valued for purposes of calculating the Top-Heavy Ratio.

24.2. Special rules applicable to top-heavy years. If the Plan with respect to any Employer is a Top-Heavy Plan for any Plan Year, then:

- a) The accrued benefit of any Member of such an Employer who has completed one thousand (1,000) hours of service during a Plan Year to which this Section applies and who is not a Key Employee for such year shall be increased, if necessary, so that the Member's accrued benefit derived from Employer contributions under all defined benefit plans in an aggregation group is not less than the monthly "defined benefit minimum." The defined benefit minimum shall be reduced, to the extent permissible under applicable Treasury regulations, by the amount of any benefit accrued on behalf of a Member under any defined contribution plan maintained by the Employer in which the Member also participates. The minimum accrual applies even though under other Plan provisions the Member would not otherwise be entitled to receive an accrual, or would have received a lesser accrual for the year because (i) the Non-Key Employee fails to make mandatory contributions to the Plan, (ii) the Non-Key Employee's annual compensation is less than a stated amount, (iii) the Non-Key Employee is not employed on the last day of the accrual computation period, or (iv) the Plan is integrated with Social Security.

The defined benefit minimum is a monthly benefit payable as a single life annuity commencing at the Member's Normal Retirement Age under the Plan. The amount of the defined benefit minimum shall be:

- A) Two percent (2%) per year of the Member's years of Creditable Service after January 1, 1984, during the period of the Member's employment during which the Plan was top-heavy, up to a maximum of ten (10) years, multiplied by
 - B) The Member's average annual compensation for the period of consecutive years (not exceeding five (5)) when the Worker had the highest aggregate compensation from the Employer, disregarding any year during which the Plan was not top-heavy and any year beginning before January 1, 1984.
- b) No accrual shall be provided pursuant to a) above for a year in which the Plan does not benefit any Key Employee or former Key Employee.
 - c) No additional benefit accruals shall be provided pursuant to a) above to the extent that the total accruals on behalf of the Member attributable to Employer contributions will provide a benefit expressed as a life annuity commencing at Normal Retirement Age

that equals or exceeds twenty percent (20%) of the Member's highest average compensation for the five (5) consecutive years for which the Member had the highest compensation.

- d) All accruals of Employer-derived benefits, whether or not attributable to years for which the Plan is top-heavy, may be used in computing whether the minimum accrual requirements of paragraph b) above are satisfied.
- e) Notwithstanding any other provision of the Plan, each Member of such Employer who is not a Key Employee shall immediately receive a vested and nonforfeitable interest in the Plan in accordance with the following table except that for a Member's Retirement Cash Account described in Subsection 14.3, the three-year cliff vesting provisions set forth in Subsection 14.3 shall continue to apply:

<u>If the Member Has the Following Years of Creditable Service</u>	<u>The Member's Vested and Nonforfeitable Percentage is:</u>
2	20
3	40
4	60
5 or more	100

24.3. Operating rules.

- a) Contributions or benefits under Chapter 2 of the Code (relating to tax on self-employment income), Chapter 21 of the Code (relating to the Federal Insurance Contributions Act), Title II of the Social Security Act, or any other Federal or State law shall not be taken into account in applying Subsection 24.2 a).
- b) This Section shall be applied to all plans maintained by the Employer in a manner consistent with regulations promulgated by the Secretary of the Treasury under the authority granted by section 416(f) of the Code.

24.4. Compliance with section 416. This Section is included solely to permit the Plan to comply with section 416 of the Code. Should the Plan ultimately be excused or exempted from the operation of such section, either by statutory amendment or by any regulation or ruling of the U.S. Treasury or the Internal Revenue Service, this Section shall immediately and automatically be null and void and of no further force or effect. In addition, this Section shall immediately and automatically be null and void and of no further force or effect for an Employer in the event the Employer ceases to participate in the Plan or if the Plan is frozen such that no additional benefits are earned by any Member.

SECTION XXV

CHANGE OR TERMINATION OF THE PLAN

25.1. Amendments. The Plan is adopted with the intention that it will be continued indefinitely for the benefit of present and future Workers of the Synod and the other Employers; however, the right is reserved in the Board of Directors of the Synod (or its delegate) to amend, change, or modify the Plan retroactively or prospectively, in whole or in part, from time to time, including changes in the benefits Herein provided; provided, however, that no such amendment, change, or modification shall cause or permit any part of the corpus or income of the Trust to be diverted to purposes other than for the exclusive benefit of Members, or cause or permit any portion of the assets of the Trust to revert to, or to become the property of, any Employer; provided, however, that any change, modification, or amendment may be made, without limitation, if required to qualify, or to maintain the qualified status of, the Plan and Trust under the relevant provisions of the Code. In the event the Synod shall terminate the Plan pursuant to Subsection 25.2 or permanently discontinue contributions to the Plan, or in the event of a partial termination of the Plan, the rights of the Members and their Dependents in and to the fund shall be nonforfeitable to the extent provided in and subject to the provisions of Subsection 25.3.

25.2. Termination. The right is reserved in the Synod in convention to terminate the Plan, or to authorize the Board of Directors of the Synod to terminate the Plan.

25.3. Disposition upon termination. Should the Plan be terminated by the Synod in convention or by the Board of Directors of the Synod following appropriate action by the Synod in convention, such termination will become effective upon receipt by the Board of Trustees of written notice of such termination executed by the President and the Secretary of the Synod or on the date specified in any such written notice.

Concordia Plan Services shall thereafter dispose of the fund as follows:

First, provision shall be made for the full payment of Retirement Benefits to Retired Members including any persons who retired under the Prior Plan for Lay Workers on or prior to the Effective Date of the Plan, any person who retired under the PPPT and Vested Terminated Members who are receiving benefits (subject to the limitations set forth in Subsection 23.1) either by continuing the Trust or at the discretion of the Board of Trustees by the purchase of single premium life annuity contracts. If insufficient assets are available to provide the full benefits, such benefits shall be prorated in the ratio that the available assets bear either i) if the Trust is to be continued, to the actuarial reserves which would be required to provide the full benefits, or ii) if annuity contracts are to be purchased, to the cost which would be incurred for purchase of the full benefits.

Second, any remaining assets shall be prorated among the Members and Vested Terminated Members who are not receiving benefits on the basis of the actuarial reserves for their accrued benefits, respectively, and paid to them in a lump sum, or, at the discretion of the Board of Trustees, used to purchase single premium annuities commencing at the Member's Normal Retirement Age, or commencing immediately in the case of a Member who has attained at least Normal Retirement Age.

Third, the balance, if any, after satisfaction of all liabilities for accrued benefits for all Members and Dependents and the satisfaction of all other liabilities, shall be used to increase proportionately the payments under First and Second above.

SECTION XXVI

MISCELLANEOUS

26.1. No contract rights. The Plan shall not constitute a contract of any type between the Board of Trustees, Board of Directors, Employer, Plan Administrator, Synod or any officer or employee thereof and any Member. Neither the establishment of the Plan, nor any modification thereof, nor its adoption by any Employer, shall be construed as conferring any legal or equitable rights upon any Member or other person for employment or continuation of employment. Under no circumstances shall the Plan interfere with any rights of an Employer to discharge any Worker or take any other action related to a Worker's employment.

26.2. Inalienability. No benefit Hereunder shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, attachment, garnishment, encumbrance, charge, or other alienation of any kind; nor any such interest or right to receive benefits be taken, either voluntarily or involuntarily, for the satisfaction of the debts of, or other obligations or claims against, such person, including claims in bankruptcy. Notwithstanding the foregoing, the Plan shall comply with the terms of any domestic relations order that is determined by Concordia Plan Services to be consistent and compliant with section 414(p) of the Code and the Qualified Domestic Relations Order guidelines approved by the Board of Trustees.

Notwithstanding the foregoing, any overpayment or erroneous or improper payment of any benefit Hereunder which is not refunded by the payee/recipient or his or her heirs, successors, or permitted assigns upon demand by Concordia Plan Services may be recovered by setoff against any amount at any time thereafter payable to such payee/recipient or his or her heirs, successors, or (in the case of the Concordia Health Plan) permitted assigns, from the Plan or from the Concordia Disability and Survivor Plan, Concordia Health Plan, Concordia Retirement Savings Plan, or Pension Plan for Pastors and Teachers. In aid of similar powers reserved by such other plans, any such overpayment or erroneous or improper payment by any of those plans may be recovered by setoff against any amount thereafter payable under the Plan to the payee/recipient of such payment, or his or her heirs, permitted assigns, or successors. A setoff claimed against an amount payable under the Plan shall be effected upon receipt of a written claim of setoff from a party authorized to act for the other plan, identifying the claimant plan and stating the party (or predecessor in interest) against whom such setoff should be charged, the basis therefor and the amount thereof. Such written claim shall constitute an assignment of the claim to the Plan. This Plan shall be fully protected and indemnified by the claimant plan from and against all liability for acting in accordance with such written notice. The amount setoff against a payment under the Plan shall be promptly paid to the claimant plan.

26.3. Small benefit amounts. Notwithstanding any provisions of the Plan to the contrary if the single sum Actuarial Equivalent of the Member's accrued benefit when Creditable Service ceases, including the Supplemental Retirement Account (if any), the Retiree Medical Supplement (if any), the Retirement Cash Account (if any), and any prior distributions from the Plan to such Member, is one thousand dollars (\$1,000) or less, Concordia Plan Services may determine that the Actuarial Equivalent shall be paid in a lump sum at that time. In addition, notwithstanding any provision of the Plan to the contrary, in the case of a benefit payable to a Spouse or Qualified Relative or Child, if the single sum Actuarial Equivalent of such Dependent's benefit, including the Supplemental Retirement Account (if any), the Retiree Medical Supplement (if any), the Retirement Cash Account (if any), and any prior distributions from the Plan to such Dependent, is five thousand dollars (\$5,000) or less, Concordia Plan Services may determine that the Actuarial Equivalent shall be paid in a lump sum at that time. Further, if the single sum Actuarial Equivalent of the Member's accrued benefit when Creditable Service ceases, including the Supplemental Retirement Account (if any), the Retiree Medical Supplement (if any), the Retirement Cash Account (if any), and any prior distributions from the Plan to such Member, is five

thousand dollars (\$5,000) or less, the Member may elect that the Actuarial Equivalent shall be paid in a lump sum at that time.

26.4. Nonduplication of benefits. No Member who is receiving a benefit under any provision of the Plan shall be entitled to receive simultaneously the same benefit under any other provision of the Plan, notwithstanding any provision Herein contained to the contrary.

26.5. Controlling law. The Plan shall be construed, governed, and interpreted in accordance with the laws of the State of Missouri.

26.6. Nondiscriminatory action. Wherever the Plan gives the Board of Trustees or an Employer discretion with respect to any action under the Plan, such discretion shall be exercised in a uniform manner applied in a nondiscriminatory fashion with respect to all of its Workers.

26.7. Headings. Section captions and Subsection headings have been inserted for convenience of reference only, and such captions and headings shall not limit, control, or affect the interpretation of any provision of the Plan.

26.8. Marginal notes, cross-references, or index. In the publication of the Plan, marginal notes, an index, or bracketed cross-references may be inserted editorially for convenience of reference and the same shall not limit, control, or affect the interpretation of any provision of the Plan.

26.9. Publication of explanatory materials. From time to time Concordia Plan Services may cause to be issued to Members, Employers, and others, commentaries or other materials in connection with an explanation of the provisions of the Plan and its operation. None of such materials shall have the effect of modifying, changing, amending, or altering the provisions of the Plan as adopted and from time to time amended, which shall conclusively control the rights of all parties in interest.

26.10. Lost payees. Each Member and other person entitled to receive payment of any benefit Hereunder shall keep Concordia Plan Services informed of such person's current address. If Concordia Plan Services is unable to locate any person entitled to receive payment of any benefit Hereunder within two (2) years after the same becomes payable, during which period Concordia Plan Services shall have made a search for such person (in accordance with such reasonable procedures as may be established from time to time by the Board in its discretion), the right and interest of such payee in and to the amount payable (and all amounts which may subsequently become payable) shall be forfeited; provided that if the whereabouts of the payee is subsequently established, together with the right of such person to receive benefits, the payee shall receive all amounts to which such payee is entitled Hereunder. In all circumstances, Concordia Plan Services shall never be required to expend in a search for a lost payee an amount greater than the amount payable Hereunder, and all amounts so expended shall be charged against the amounts held for payment.

26.11. Benefit adjustments.

- a) Effective January 1, 1999, and thereafter the Board of Trustees shall have the authority to periodically increase monthly Primary Benefits payable by the Plan to Retired Members (excluding Vested Terminated Members) or to surviving Spouse or Qualified Relatives of such Retired Members, or make special, one-time payments to such Members or surviving Spouse or Qualified Relatives, when deemed appropriate by the Board of Trustees.
- b) A Member who is eligible to receive a benefit increase or enhancement of any kind which was not earned while such Member was a Worker may voluntarily decline to accept payment of such increase or enhancement by submitting a written declination

to Concordia Plan Services, also signed by the Member's Spouse or Qualified Relative, if any, at least thirty (30) days prior to the date payment is scheduled to begin. Such declination shall continue to be effective until revoked in writing, whereupon the increase or enhancement shall become payable as of the next January 1. For purposes of computing the amount of such increase or enhancement that may again become payable, including the amount of any lump-sum payment, all periods for which payment was declined shall be treated as periods for which payment was made. Upon the death of a Member who has declined to receive payment of an increase or enhancement, such Member's joint annuitant, if any, shall become entitled to receive payment of such increase or enhancement commencing as of January 1 of the year following the Member's death unless such joint annuitant had previously consented to payment of such increase or enhancement in the form of a life-only annuity to the Member. Such joint annuitant shall also have the right to decline payment in the same manner as the Member.

26.12. Benefit limitations.

- a) The Annual Benefit otherwise payable to a Member under the Plan at any time shall not exceed the "Maximum Permissible Benefit." The "Maximum Permissible Benefit" is the dollar limit specified in section 415(b) of the Code, automatically adjusted effective January 1 of each year under section 415(d) of the Code in such manner as the Secretary of the Treasury shall prescribe, as published in the Internal Revenue Bulletin, which is payable in the form of a Straight Life Annuity. The new limitation shall apply to Limitation Years ending with or within the calendar year of the date of the adjustment, but a Member's benefit shall not reflect the adjusted limit prior to January 1 of that calendar year. If the benefit the Member would otherwise accrue in a Limitation Year would produce an Annual Benefit in excess of the Maximum Permissible Benefit, the benefit shall be limited (or the rate of accrual reduced) to a benefit that does not exceed the Maximum Permissible Benefit. Notwithstanding any other provisions of the Plan, no Member shall ever receive an annual benefit which exceeds the Maximum Permissible Benefit or, if a lesser amount, one hundred percent (100%) of the Member's Limitation Compensation for the three (3) consecutive years during which such Member received the greatest Limitation Compensation.
- b) If a Member is, or has ever been, a member in another qualified defined benefit plan (without regard to whether the plan has been terminated) maintained by the Employer or a predecessor Employer, the sum of the Member's Annual Benefits from all such plans may not exceed the Maximum Permissible Benefit. Where the Member's Employer-provided benefits under all such defined benefit plans (determined as of the same age) would exceed the Maximum Permissible Benefit applicable at that age, the Employer will limit the Member's benefit accrual in such case by limiting the benefit accrual under this Plan so the Maximum Permissible Benefit will not be exceeded.
- c) Notwithstanding anything Herein to the contrary, the limitations, adjustments and other requirements prescribed in the Plan shall at all times comply with the provisions of section 415 of the Code and the regulations promulgated thereunder, the terms of which are hereby incorporated Herein by reference.
- d) Certain terms used in this Subsection are defined as follows:
 - i) The term "annual benefit" means a benefit payable annually in the form of a Straight Life Annuity (with no ancillary benefits), and in determining whether the benefit limitation prescribed by section 415 of the Code has been satisfied,

the benefit to be provided under the Plan shall be adjusted in accordance with U.S. Treasury regulations, and by applying the applicable mortality table and applicable interest rate under section 417(e)(3)(B) of the Code determined by the United States Secretary of the Treasury in accordance with section 415(b)(2)(E)(v) of the Code, so that such benefit is equivalent to such an “annual benefit,” and in making such adjustment the following factors shall not be taken into account:

- A) any ancillary benefit which is not directly related to retirement income benefits,
- B) that portion, if any, of the benefit attributable to mandatory or voluntary contributions, or
- C) that portion, if any, of the benefit attributable to rollover contributions.

ii) The term “Limitation Year” means a calendar year.

26.13. Numbers. The singular shall include the plural, except as otherwise indicated by the context in which used.

26.14. Required minimum distributions. Notwithstanding anything Herein to the contrary, all distributions required under the Plan shall be made in accordance with section 401(a)(9) of the Code, including the incidental death benefit requirements of section 401(a)(9)(G) of the Code, and the regulations thereunder including, but not limited to, sections 1.401(a)(9)-2 through 1.401(a)(9)-9. This Subsection will override any distribution options in the Plan that are inconsistent with section 401(a)(9) of the Code.

- a) Required Beginning Date. A Member’s entire interest will be distributed, or will begin to be distributed, no later than the Member’s Required Beginning Date.
 - i) The term “Required Beginning Date” means the date by which a Member with accrued vested benefits must begin to receive his or her benefits under the Plan and which shall be no later than April 1 of the calendar year following the later of the calendar year in which the Member attains age seventy and one-half (70½) or the calendar year in which the Member retires.
- b) Death of Member before distributions begin. If the Member dies before distributions begin, the Member’s entire interest will be distributed, or begin to be distributed, no later than as follows:
 - i) If a Member dies prior to becoming a Retired Member and with five (5) or more years of Creditable Service, if the Member’s surviving spouse is the Member’s sole designated beneficiary, then all distributions to the surviving spouse will be made or begin no later than December 31 of the calendar year immediately following the calendar year in which the Member died, or by December 31 of the calendar year in which the Member would have attained age seventy and one-half (70½), if later.
 - ii) If a Member dies prior to becoming a Retired Member and with five (5) or more years of Creditable Service, survived by the Member’s surviving spouse, and the Member’s surviving spouse dies before distributions to the Member’s surviving spouse begin, any distribution to another designated beneficiary will

be made or begin by December 31 of the calendar year immediately following the calendar year in which the Member died. If there is no designated beneficiary as of September 30 of the year following the year of the Member's death, any distribution will be distributed by December 31 of the calendar year containing the fifth (5th) anniversary of the Member's death.

- iii) If a Member dies prior to becoming a Retired Member and with five (5) or more years of Creditable Service, and is not survived by an surviving spouse, any distribution to a designated beneficiary will be made or begin by December 31 of the calendar year immediately following the calendar year in which the Member died. If there is no designated beneficiary as of September 30 of the year following the year of the Member's death, any distribution will be distributed by December 31 of the calendar year containing the fifth (5th) anniversary of the Member's death.

For purposes of this Subsection 26.14 b) and c), distributions are considered to begin on the Member's Required Beginning Date. If distributions under an annuity meeting the requirements of this Subsection commence to the Member before the Member's Required Beginning Date (or to the Member's surviving spouse before the date distributions are required to begin to the Member's surviving spouse under Subsection 26.14 b) i), the date distributions are considered to begin is the date distributions actually commence.

c) Requirements for minimum distributions after the Member's death.

- i) Death after distributions begin. If the Member dies after distribution of his or her interest begins in the form of an annuity meeting the requirements of this Subsection, the remaining portion of the Member's interest will continue to be distributed over the remaining period over which distributions commenced.
- ii) Death before distributions begin. If the Member dies before becoming a Retired Member and with five (5) or more years of Creditable Service and there is a surviving spouse as the designated beneficiary, the Member's entire remaining interest will be distributed, beginning no later than the time described in Subsection 26.14 b) i), over the life of the surviving spouse or over a period certain not exceeding:
 - A) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the surviving spouse determined using the surviving spouse's age as of the surviving spouse's birthday in the calendar year immediately following the calendar year of the Member's death; or
 - B) if the annuity starting date is before the first distribution calendar year, the life expectancy of the surviving spouse determined using the surviving spouse's age as of the surviving spouse's birthday in the calendar year that contains the annuity starting date.

- d) For purposes of this Subsection, the term "designated beneficiary" means each individual who is entitled under the terms of the Plan, or each individual as may be designated by a Member as permitted under the Plan, to receive any benefits or payments under the terms of the Plan upon the Member's death. Subsection 15.5 shall be applied in making determinations Hereunder.

26.15. Member's responsibility. The Member is responsible for the accurate, thorough, and timely submission of information to the Plan.

26.16. Church Plan Status. The Plan is intended to be a "church plan" as described in section 414(e) of the Code and section 3(33) of Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). As such, the Plan is exempt from Titles I and IV of ERISA and from certain provisions of the Code. Concordia Plan Services, which maintains the Plan, is a Missouri nonprofit corporation associated with the Synod. Concordia Plan Services has as its principal purpose or function the administration of plans for the provision of retirement benefits or welfare benefits, or both, for the employees of the Synod (which is a church or a convention or association of churches) and of the Synod's Controlled Organizations, Member Congregations and Affiliated Agencies.

26.17. Doctrine. As a church plan established by the Synod, the Plan will be administered and benefits provided in accordance with the doctrine, beliefs and theological statements, opinions, and resolutions of the Synod.

26.18. Discretion. Concordia Plan Services shall have discretionary authority to construe and interpret all terms and conditions of the Plan, to make factual determinations thereunder, to determine whether any forms, documents and other information are acceptable and sufficient, and to decide all other matters arising in the Plan's administration, application, and operation, including, but not limited to, questions pertaining to eligibility for participation or benefits and the amount of benefits, if any, to be paid by the Plan.

SECTION XXVII

PLAN RESTATED AS OF JANUARY 1, 2021

Except as otherwise specifically provided Herein, the provisions of the Plan as amended and restated effective as of January 1, 2021, shall be applicable with respect to all benefits commencing on or after January 1, 2021.

APPENDIX A

ACTUARIAL EQUIVALENCE

Section A - 1. The following actuarial assumptions shall be used for purposes of determining Actuarial Equivalent values for amounts other than the life-only form, and for determining the lump sum value of payments under these provisions of the Plan:

Interest rate: Eight percent (8%)

Mortality table: The applicable mortality table for section 417(e)(3)(B) of the Code, described in Revenue Ruling 2007-67 (or superseding guidance), and published by the Internal Revenue Service for the 2014 Plan Year

- Subsection 6.3 - Reemployment of an Inactive Member
- Subsection 6.4(a)(iii) - Reemployment of a Retired Member
- Subsection 10.4 - In-service benefit payments
- Subsection 11.3(c) - Payment of the Supplemental Retirement Account on death of an active Member
- Subsection 11.4(c) - Payment of the Supplemental Retirement Account on death of a Retired Member
- Subsection 11.5(c) - Payment of the Supplemental Retirement Account on death of a Vested Terminated Member
- Subsection 12.9(c) - Retiree Medical Supplement payable on death of a Member prior to retirement
- Subsection 13.4(c) - Payment of the Retirement Cash Account on death of an active Member
- Subsection 13.5(c) - Payment of the Retirement Cash Account on death of a Retired Member
- Subsection 13.6(c) - Payment of the Retirement Cash Account on death of a Vested Terminated Member
- Subsection 17.1 - Methods of payment of Primary Normal Retirement Benefit
- Subsections 17.3(c) and (d) - Methods of payment of the Supplemental Retirement Account and/or Retirement Cash Account
- Subsections 17.4(c) and (d) - Methods of payment of the Retiree Medical Supplement
- Subsection 17.5(b) and (c) - Methods of payment of rollover amounts from the Concordia Retirement Savings Plan
- Subsection 26.3 - Small Benefit Amounts

Section A-2. The following actuarial assumptions shall be used for purposes of determining the life-only annuity form under these provisions of the Plan:

Interest rate: 10-year Treasury rate plus 125 (one hundred twenty-five) basis points (set annually, using the average yield rate during August (September for payments commencing in 2019) of the preceding year, as published in Statistical Release H.15 of the Board of Governors of the U.S. Federal Reserve System), but not greater than eight percent (8%)

Mortality table: The applicable mortality table described in section 417(e)(3)(B) of the Code for the Plan Year; provided, however, that for the 2017, 2018 and 2019 Plan Years, such table as in effect for the 2017 Plan Year shall continue in effect. For Plan Year 2020 and thereafter, the mortality table for a given year will be the most recent table (a 50/50 blend of the male and female tables) published

by the Society of Actuaries that can be implemented no later than the last day of the Plan Year following the Plan Year in which the table was issued and projected using the long-term improvement rate of 0.75% grading down from age 85 to zero at age 95.

- Subsection 11.3(b) - Payment of the Supplemental Retirement Account on death of an active Member
- Subsection 11.4(b) - Payment of the Supplemental Retirement Account on death of a Retired Member
- Subsection 11.5(b) - Payment of the Supplemental Retirement Account on death of a Vested Terminated Member
- Subsection 12.9(b) - Retiree Medical Supplement payable on death of a Member prior to retirement
- Subsection 13.4(b) - Payment of the Retirement Cash Account on death of an active Member
- Subsection 13.5(b) - Payment of the Retirement Cash Account on death of a Retired Member
- Subsection 13.6(b) - Payment of the Retirement Cash Account on death of a Vested Terminated Member
- Subsection 17.3(b) - Methods of Payment of the Supplemental Retirement Account and/or Retirement Cash Account
- Subsection 17.4(b) - Methods of payment of the Retiree Medical Supplement
- Subsection 17.5(a) - Methods of payment of rollover amounts from the Concordia Retirement Savings Plan

Section A-3. Preservation of Actuarial Equivalence Factors in effect on and before July 1, 2014.

1. Notwithstanding any other provision to the contrary in Plan SECTION XV Herein, in the case of any Member whose death occurs on or before June 30, 2014, and with respect to whom a benefit payment for a surviving Spouse or surviving Dependent Child commences effective as of a date on or before July 1, 2014, the benefit payable will be determined using the actuarial equivalence factors in effect on June 30, 2014.

2. Notwithstanding any other provision to the contrary in Plan SECTION XVII Herein, in the case of any Member whose Creditable Service ceases on or before June 30, 2014, and whose benefit payments commence effective as of a date on or before July 1, 2014, the benefit payable to such Member will be determined using the actuarial equivalence factors in effect on June 30, 2014.



FOR FURTHER QUESTIONS

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