



# Pension Fund

of the Christian Church



## Individual Retirement Accounts

Making Your Retirement Dreams *Possible.*

Get to your dreams *faster.*

Dream #1

*Take leisurely, afternoon naps.*





## Pension Fund: A Name You Can *Trust*

Pension Fund serves its members as faithful financial stewards, true to Pension Fund's mission values of security, trust and compassion. Rather than relying on funding from company profits or legislation, Pension Fund relies on a solid funding formula and a team of investment professionals who not only manage your money, but grow your assets. We measure our success by not only protecting, but adding value for your retirement.

**Our history pre-dates Social Security:** Since 1929, Pension Fund's conservative plan design has weathered market downturns, and our pension plan still remains one of the highest-funded pension and retirement savings programs in existence.

**Your money stays in your pockets, not ours:** With Pension Fund, there are no hidden fees or charges to manage your assets. In fact, when reserves exist above what is required for current and future benefits (and for any potential market decline), Pension Fund's Board of Directors may declare Good Experience Credits for all participants. These additional interest earnings mean more money for you in retirement.

**We worry about investments so you don't have to:** Other retirement savings programs often force you to make an educated guess as to your investment pools. With Pension Fund, enrollment is the only requirement for you to benefit from our expertise and knowledge in managing your financial assets – simple and easy.

## Why Choose an Individual Retirement Account (IRA):

As part of our mission, Pension Fund offers Individual Retirement Accounts (IRAs), which are after-tax retirement savings programs.

With IRAs, you can save money your way. Whether you're already participating in employer-provided retirement plans and want additional investment options or you're self-employed and want to actively save for retirement (or aren't currently participating in any retirement programs and want to start), IRAs allow you to decide when and how much you save.

- ✓ Because these are individual retirement programs, you don't have to enroll through an employer. If you ever change jobs, your money stays with you.
- ✓ You can make contributions on your own schedule, or roll over funds from another account.
- ✓ With both types of IRAs, you may designate beneficiaries to ensure your money lives on.

**IRAs offer flexibility based on your income and how you wish to receive funds in retirement.** If your income is above the limits for contributing to a Roth IRA, you can always contribute to a Traditional IRA. With a Roth IRA, you receive your funds tax-free, and with a Traditional IRA, your earnings grow tax-deferred until retirement. (For more information see our IRA comparison chart on pg. 8.)

**Pension Fund's IRAs offer a competitive, guaranteed return, with the potential for additional interest earnings (Good Experience Credits).** Our IRAs offers a guaranteed base interest rate of 3 to 6%, so they offer a safe and secure option for your investments. With this base rate, you won't have to worry about your savings losing value during market downturns. On top of this, our IRAs are eligible for additional interest earnings through Good Experience Credits.



*Life Dream #2  
Ride bikes on the beach  
everyday with my  
husband.*

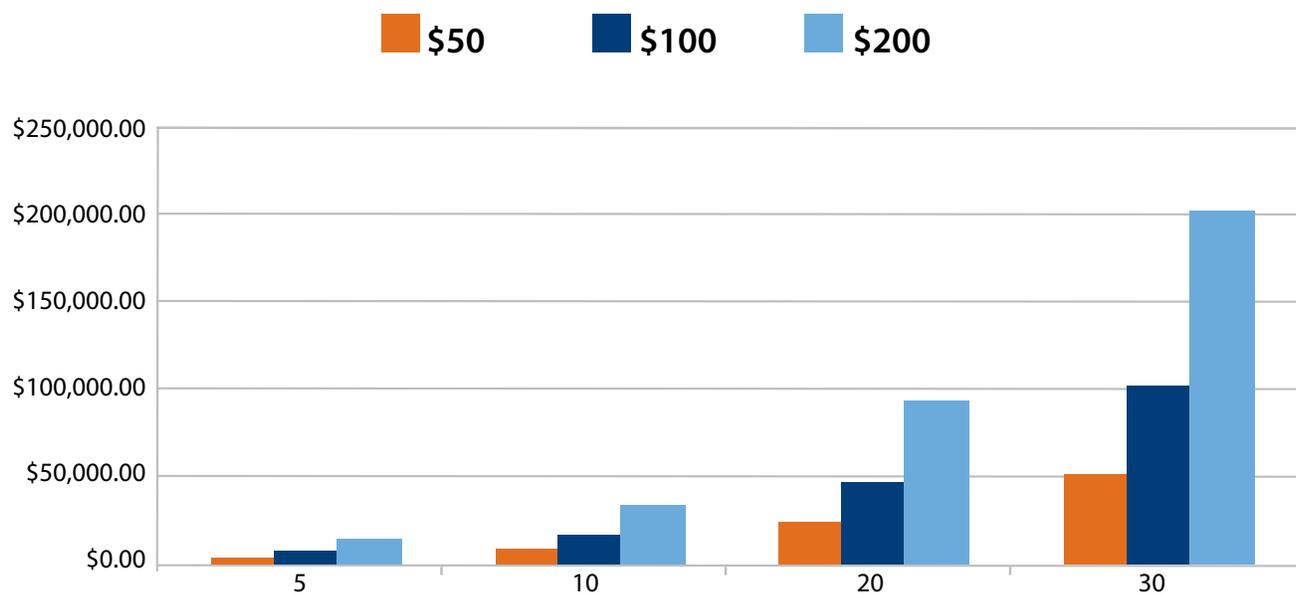
### What are Good Experience Credits?

Good Experience Credits are additional interest earnings. Each year, the Pension Fund Board of Directors reviews reserves required for current and future benefits, as well as reserves needed for any potential market declines. When reserves exist above what is required, the Board of Directors may declare Good Experience Credits for all participants. Over time, these extra earnings can make a significant difference when saving for retirement.

## Start with a small savings goal

A simple goal of saving \$100 per month can add up to a significant savings over time. It's about starting small and adjusting your goals as you look forward and plan for retirement.

### Growth of Monthly Savings



*Results not based on performance of any Pension Fund products and does not guarantee future returns on one of the IRA products. Returns were calculated assuming at 6% interest rate.*

Simplify your finances by rolling over your accounts into one IRA through Pension Fund. This allows you to

- ✓ Reduce or eliminate fees
- ✓ Reduce paperwork
- ✓ More easily manage your funds



## Roth IRA:

**Pension Fund's Roth IRA is a good tool for an investor of any age for many reasons.**

- ✓ Withdraw earnings tax-free in retirement
- ✓ Under some circumstances, you can withdraw funds early without penalty (see below)
- ✓ No age limit for making contributions
- ✓ No required minimum distributions
- ✓ Offers a guaranteed base return
- ✓ Provides opportunity for a higher return through Good Experience Credits

**Appreciate having penalty-free early withdrawal options.** You can contribute to a Roth IRA in addition to participating in the Pension Plan or another employer-sponsored 401(k). Best of all, because dollars set aside now are taxed at today's tax rate, funds held for 5 years can be withdrawn tax-free in retirement.

**Appreciate having tax-free withdrawal options.** Participants can withdraw their contributions at any time without penalty. This makes the Roth IRA a flexible tool, not only for retirement, but also for emergency savings. In addition, you also have the option to withdraw interest earned without penalty if you are at least age 59 1/2, you become disabled, you are the beneficiary of a deceased Roth IRA owner, or you intend to use the distribution toward the purchase of your first home. Other circumstances may also qualify a Roth IRA owner to withdraw funds.

### Hear from our satisfied participants of all ages on how the Roth IRA benefits them:

**New minister:** "With the Roth IRA, I can begin saving early and allow my account to grow without having to worry about paying taxes when I retire."

**Mid-career professional:** "With the Roth IRA, I will be able to add the beneficiaries of my choice and they'll not have to pay taxes on the funds when they receive them."

**University professor:** "The Roth IRA allows me to continue to contribute...even while I continue to serve as a university professor past traditional retirement age."



You can use the Roth IRA at all ages, whether you are beginning to save or near retirement. Consider these saving scenarios ▶



College savings fund



House down payment



Additional retirement savings



Estate planning

*Consult your financial advisor to discuss your options.*

A photograph of an elderly couple standing on the deck of a cruise ship, seen from behind. The man is wearing a patterned sweater and blue jeans, and the woman is wearing an orange jacket and khaki pants. They are embracing each other. The ship's railing is visible in the foreground, and the ocean and a forested coastline are in the background.

*Life Dream #3  
Cruise around the world.*

## Traditional IRA:

### Save money your way and take advantage of potential tax benefits with Pension Fund's Traditional IRA.

- ✓ Contributions may be fully or partially tax deductible\*
- ✓ Earnings grow tax-deferred until retirement (good for someone planning on retiring in a lower tax bracket)
- ✓ No income limits for contributions
- ✓ Offers a guaranteed base return
- ✓ Provides opportunity for a higher return through Good Experience Credits

**Reduce your tax liability with tax-deductible contributions.** If your taxable compensation falls within a certain threshold, you can either fully or partially deduct your IRA contributions from your taxes (consult IRS's guidelines for the most current figures). For IRA owners who aren't eligible for a tax deduction, you can still contribute additional funds for retirement.

**Benefit from tax-deferred savings until distribution (or retirement).** Generally, Traditional IRA funds aren't taxed until distribution. Participants can withdraw funds without penalty under some circumstances, including but not limited to reaching age 59 ½, becoming disabled, becoming the beneficiary of a deceased Traditional IRA owner, or using the distribution toward higher education or purchase of your first home. Distributions are then taxed at your ordinary income tax rate.

**Appreciate flexible savings options.** For those who aren't able to participate in an employer-sponsored plan or who just want to save more to retire comfortably, the Traditional IRA will help you meet your savings goals.

*\*When IRS income eligibility requirements are met*



### Turbocharge your savings by putting taxes on hold

Because the Traditional IRA uses after-tax dollars, your earnings aren't taxed until distribution. This means a 25-year-old who opens an IRA and puts in \$5,500/year at an annual return rate of 6% will have a savings total of **\$902,262** at age 65. If his savings were taxed at an annual rate of 25% over those 40 years instead, he'd end up with \$615,157 at age 65.

	ROTH IRA	TRADITIONAL IRA
<b>Maximum Annual Contribution</b>	For 2015, \$5,500 (\$6,500 if you reach age 50 or older during the year).	
<b>What Funds Can I Rollover Into My IRA?</b>	Pre-tax 403(b) account Pre-tax 401(k) account Pre-tax 457(b) account Existing IRAs from outside Pension Fund	
<b>By When Must I Make Contributions?</b>	Contributions are due by the tax filing deadline for the year, without extensions (usually April 15).	
<b>Is the Contribution Limit Reduced Based on My Income?</b>	Yes. The ability to contribute to a Roth IRA phases out (is reduced) for higher income earners. For 2015, you aren't eligible to contribute to a Roth IRA if your modified adjusted gross income equals or exceeds: <ul style="list-style-type: none"> <li>• \$131,000 (filing single)</li> <li>• 193,000 (married filing jointly)</li> </ul>	No.
<b>Are My Contributions Tax Deductible?</b>	No.	Yes. However, if you (or your spouse) is covered by an employer retirement plan (such as the Pension Plan or TDRA), the amount you may deduct is reduced based on your MAGI and tax filing status. For 2015*, if you're covered by an employer retirement plan, you may not deduct your Traditional IRA contributions if your MAGI equals or exceeds: <ul style="list-style-type: none"> <li>• \$71,000 (filing single)</li> <li>• \$118,000 (married filing jointly)</li> </ul> Note: Even if you can't deduct your contribution, you may still contribute to a Traditional IRA.
<b>When can I withdraw my money?</b>	You can withdraw your contributions at any time without taxes or penalty. Withdrawals on interest earned are tax and penalty free if you're over 59 1/2 and the account has been opened at least 5 years. Prior to age 59 1/2, any withdraw on interest earned is subject to tax and a 10% penalty unless there is a qualifying exception.	You can withdraw your money (subject to taxes) at any time. If you are under 59 1/2, your withdrawal is subject to an additional 10% penalty unless there is a qualifying exception.
<b>How Are My IRA Distributions Taxed?</b>	Contributions are not taxed upon distribution. Earnings on your contributions are not taxed upon distribution if certain holding requirements have been met. A 10% early distribution tax may apply to earnings if you take a distribution before age 59 1/2 unless an exception applies.	Deductible contributions and earnings are included in your taxable income upon distribution. Nondeductible contributions are not taxed at distribution. A 10% early distribution tax may apply if you take a distribution before age 59 1/2 unless an exception applies.
<b>Is There an Age Limitation for Making Contributions?</b>	No. Contributions may be made at any age so long as you have taxable compensation.	Yes. Contributions are not permitted beginning with the year in which you reach age 70 1/2.
<b>When Do I Have to Begin Taking Distributions?</b>	You do not have to begin taking distributions during your lifetime if you are the original owner or surviving spouse of the Roth IRA.	By April 1 of the calendar year following the year in which you reach age 70 1/2.

\* The material contained in this chart is for informational purposes only and is not to be construed as tax, financial, or legal advice. See the IRS deductions limits [www.irs.gov/Retirement-Plans/IRA-Deduction-Limits](http://www.irs.gov/Retirement-Plans/IRA-Deduction-Limits)

## The Roth IRA is best for someone who:

- ✓ Is still relatively new in their career (tax rates are lower when income is lower)
- ✓ Would like to withdraw retirement funds tax-free
- ✓ Wishes to access funds earlier than retirement if necessary

## The Traditional IRA is best for someone who:

- ✓ Would like to save without income limits (i.e., high income earners)
- ✓ Is looking for additional tax deductions on income
- ✓ Plans to retire in a lower income bracket

## Eligibility:

For both the Roth IRA and Traditional IRA:

### You are eligible if:

- ✓ You have earned income as an employee of a congregation, ministry or organization related to the Christian Church (Disciples of Christ), Christian Churches/Churches of Christ, Churches of Christ or Stone-Campbell/Restoration Movement.

### You can rollover funds if:

- ✓ Funds are coming from an existing, qualified retirement fund; AND
- ✓ You are a current employee of a congregation, ministry or organization related to the Christian Church (Disciples of Christ), Christian Churches/Churches of Christ, Churches of Christ or Stone-Campbell/Restoration Movement; OR
- ✓ You are a former employee with a Pension Plan, TIRA or IRA program.

## Which IRA is right for you?

When choosing between the Roth and Traditional IRA, consider your income now and in retirement. The Roth IRA has income limits, so if your current income exceeds those limits, you may want to consider investing with the Traditional IRA. If you expect to be in a lower income tax bracket when you retire, you may want to contribute to a Traditional IRA. If you expect to be in the same or higher tax bracket, you may want to contribute to a Roth IRA.



*Life Dream #4  
Spend time with  
my grandchildren*



## Pension Fund

of the Christian Church

*strong. smart. secure.*

Consult your financial advisor to find out if Pension Fund's IRA programs are a good fit for you.

For more information on

how to enroll, visit

**[www.pensionfund.org](http://www.pensionfund.org)** or call

**866.495.7322 today!**

## About Pension Fund

Participation in Pension Fund programs provides peace of mind that you are investing in an organization with more than 115 years of experience in managing financial assets. Our track record and financial strength are testimony that Pension Fund is *Strong. Smart. Secure.*

*strong.*

It is our objective and practice to maintain excess reserves for all Pension Fund programs. Pension Fund is fully funded, which means we have more assets than benefit obligations and, from an actuarial standpoint, can pay all current and future retirement obligations. This strong reserve position allows us to weather market downturns, as well as provide financial underpinning to develop new programs to benefit our participants and participant organizations.

*smart.*

Pension Fund has prudently managed assets for more than 115 years and has responded to changing needs of our members. We continue to introduce programs to supplement members' existing retirement and pension savings.

*secure.*

We measure our success by protecting and adding value for your retirement. In good times and bad, Pension Fund serves its members faithfully. In the history of Pension Fund, no participant has experienced a reduction in pension or pension credits, nor suffered any loss in value of his or her retirement account.

To learn more about Pension Fund's full range of programs, visit [www.pensionfund.org](http://www.pensionfund.org).

*The material contained in this brochure is for informational purposes only and not to be construed as tax, financial, or legal advice. Before making decisions about financial matters, please consult your attorney, tax preparer or other financial advisor to find out how these programs will impact your individual situation. If any differences exist between this summary and the Roth IRA or Traditional IRA document, the Roth IRA or Traditional IRA document will control.*

*Past performance of the Pension Fund IRAs is not a guarantee of future returns.*



[www.facebook.com/pensionfundchristianchurch](http://www.facebook.com/pensionfundchristianchurch)



866.495.7322



Visit us on the web:  
[www.pensionfund.org](http://www.pensionfund.org)



Send us an email:  
[pfcc1@pensionfund.org](mailto:pfcc1@pensionfund.org)



P.O. Box 6251  
Indianapolis, IN 46206-6251



**Pension Fund**  
of the Christian Church  
*strong. smart. secure.*