Pension Fund
of the Christian Church

IRA ENROLLMENT FORM

You may establish either a Traditional IRA or a Roth IRA with the Pension Fund of the Christian Church if you are:

- an employee or former employee of an employer that is eligible to participate in the Defined Contribution Retirement Accounts of the Pension Fund of the Christian Church (Disciples of Christ) ("DCRA"); or
- the spouse of such eligible employee or former employee, if you file a joint tax return with the employee or former employee.

See *Eligibility for a Pension Fund Traditional IRA or Roth IRA* located at www.pensionfund.org for information as to whether you are eligible to make regular contributions, rollover/transfer contributions, or both, to an IRA. You can make regular contributions to an IRA from your spouse's taxable compensation if you file a joint tax return with your spouse. If you are the spouse of an employee or former employee, you may only roll or transfer assets into the IRA from retirement plans or IRAs held in your name.

- PLEASE TYPE OR PRINT CLEARLY -

I. APPLICANT INFORMATION

Name ☐ Mr. ☐ Mrs. ☐ Miss ☐ Ms. ☐ Rev. ☐ Dr. ____
(first) (middle) (last/family)

Applicant is a (*check one*): ☐ Current employee ☐ Spouse of current employee ☐ Former employee ☐ Spouse of former employee

Social Security No./ITIN __ __ __-__ __-__ __ __ __ Birth Date ________/________/________ Gender: ☐ Male ☐ Female

☐ ***Check here if there has been a change to your contact information on file.***

Home Address ____

City ____________________ State ____________________ Country ____________________ Zip Code ___________-______

Home Phone Number (______) ____________ Work Phone Number (______) ____________ Cell Phone Number (______) ____________

E-Mail Address ____

Citizenship: ☐ U.S. ☐ Other: ____________________ ***If you are not a US citizen, you must have an ITIN to enroll.***

Complete the following if applicant is a spouse of an employee or former employee:

Name of Employee/Former Employee ____
(first) (middle) (last/family)

Social Security No./ITIN __ __ __-__ __-__ __ __ __ Birth Date ________/________/________

II. EMPLOYEE/FORMER EMPLOYEE EMPLOYMENT INFORMATION

Employer/Former Employer ____
(enter "self-employed minister" if applicable)

Mailing Address ____

City ____________________ State ____________________ Country ____________________ Zip Code __________-_______

Contact Name ____

Phone Number (________) ____________________ E-Mail Address ____

Dates of Employment ________/_________/________ through (*check one*) ☐ present or ☐ ________/_________/_________

III. CONTRIBUTION INFORMATION

I am establishing a ☐ Traditional IRA ☐ Roth IRA. *Complete a separate IRA Enrollment Form for each IRA you establish.*

Indicate contribution type below (*check one or more as applicable*):

☐ **Rollover/Transfer** (including a conversion or recharacterization). ***Complete and return Application for Rollover/Transfer to IRA unless requesting a transfer (conversion) from a Traditional IRA to a Roth IRA under the DCRA.*** *Former employees and spouses of former employees can only check this box. If you will be age 70½ by the end of the year and you are establishing a Traditional IRA, you can only check this box.*

☐ **Single Sum Contribution.** I am remitting an initial *after-tax* contribution amount to my IRA equal to $_________________________.

This contribution is being made by ☐ check (*including checks sent by or through your bank*)
☐ one-time debit (ACH) from my bank account (*complete the bank information below*)

I irrevocably elect that this contribution be made for the tax year 20__________. *Contributions must be received by the tax filing deadline, without extensions, for the year for which the contribution is being made (generally, by April 15).* ***If no year is indicated, the contribution will apply to the current tax year.*** *For future contributions, complete the IRA Contribution Form or elect to make recurring contributions below.*

☐ **Recurring Contributions**. Effective as soon as administratively practicable on or after ________________________, 20______, I authorize *after-tax* contributions to be made to my IRA through automatic debit (ACH) from my bank account. *Complete the bank information below.*

Recurring contributions of $____________________ will be debited on the (*check one only*) ☐ 1st ☐ 15th ☐ last day of each month.

Complete below if you elect a one-time or recurring bank debit and attach a "void" check to this Form:

Name of Bank ______________________________ Account Holder Name ______________________________

Mailing Address of Bank ______________________________ Phone Number (________)________________

City ____________________ State ______________ Country ______________ Zip Code ________-________

Checking Account Number ______________________ Bank Routing/ABA Number ______________________

IMPORTANT: A minimum initial contribution of $100 is required to open an IRA. Regular contributions may not exceed $6,000 for 2019. If you are or will be age 50 by the end of the year, you may make an additional contribution of up to $1,000 for 2019. For a Roth IRA only, these limits may be less if you have modified adjusted gross income that exceeds $122,000 (single or married filing separately) or $193,000 (married filing jointly) for 2019, indexed for cost of living thereafter. Regular contributions made to a traditional IRA reduce the amount you can contribute to a Roth IRA, and vice versa.

IV. DESIGNATION OF BENEFICIARIES

Designate the person, trust or entity you choose to receive any benefits payable from your IRA in the event of your death. If you designate a trust as a beneficiary, include the trust's name and address, the date the trust was created, and the trustee's name. You are not limited to two primary and two contingent beneficiaries. To designate additional beneficiaries, please attach and sign a separate piece of paper stating the additional names and identifying information.

Unless otherwise indicated, death benefits will be paid in equal shares to your primary beneficiaries who are living at the time of your death. If no primary beneficiary is living at your death, unless otherwise indicated, death benefits will be paid in equal shares to your contingent beneficiaries who are living at the time of your death. If you name multiple primary or contingent beneficiaries, and one of them predeceases you, the percentage of that beneficiary's designated share shall be divided equally amongst the surviving primary or contingent beneficiaries, as applicable.

IMPORTANT: If you do not elect a beneficiary, or if your beneficiaries named on this IRA Enrollment Form fail to survive you, your benefits will be paid to your estate. Failure to include a social security number/ITIN and current contact information for each designated beneficiary, if applicable, may delay distributions at your death.

Primary Beneficiaries ***The total percentage to all primary beneficiaries must equal 100%.***	**Percentage of Benefit**
Individual or Trust Name ______________________________ (first, middle, last/family name) Mailing Address ______________________________ (street, city, state, zip code) Primary Phone (________)______________ Relationship to Applicant/Trustee Name ______________________ Social Security No./ITIN __ __ __-__ __-__ __ __ __ Birth or Trust Date _________/________/________	_________%
Individual or Trust Name ______________________________ (first, middle, last/family name) Mailing Address ______________________________ (street, city, state, zip code) Primary Phone (________)______________ Relationship to Applicant/Trustee Name ______________________ Social Security No./ITIN __ __ __-__ __-__ __ __ __ Birth or Trust Date _________/________/________	_________%
Contingent Beneficiaries If all of your primary beneficiary(ies) die before you, any benefits payable in the event of your death will be paid to your contingent beneficiary(ies). ***The total percentage to all contingent beneficiaries must equal 100%.***	**Percentage of Benefit**
Individual or Trust Name ______________________________ (first, middle, last/family name) Mailing Address ______________________________ (street, city, state, zip code) Primary Phone (________)______________ Relationship to Applicant/Trustee Name ______________________ Social Security No./ITIN __ __ __-__ __-__ __ __ __ Birth or Trust Date _________/________/________	_________%

Individual or Trust Name ____________________ (first, middle, last/family name) Mailing Address ____________________ (street, city, state, zip code) Primary Phone (________)____________ Relationship to Applicant/Trustee Name ____________________ Social Security No./ITIN __ __ __-__ __-__ __ __ __ Birth or Trust Date ________/________/________	________%

V. APPLICANT CERTIFICATION AND SIGNATURE

By signing this IRA Enrollment Form, I make the following certifications:

- I agree to be bound by all terms of the DCRA, as it may be amended from time to time, and all administrative policies and procedures adopted by Pension Fund with respect to the DCRA.
- I understand that I can access the IRA Owner Resource Book and other information regarding IRAs electronically at www.pensionfund.org, and that I can also request Pension Fund mail me a copy of the IRA Owner Resource Book.
- I certify that I have received, reviewed and understand the IRA Disclosure Statement and IRA Financial Disclosure. I understand that I have seven days from the date that Pension Fund receives this Form to revoke it without penalty by mailing or delivering a written notice to Pension Fund.
- I certify that I am an employee or former employee of an employer that is eligible to participate in the DCRA, as provided in Section II, or the spouse of such eligible employee or former employee.
- I certify that the information provided on this IRA Enrollment Form is accurate, including my Social Security Number/ITIN. **I agree that I will timely notify Pension Fund of any changes to the information provided on this Form.**
- I understand that the personal information provided on this Enrollment Form will be used by Pension Fund to process my enrollment and to provide services to me under the DCRA.
- I assume complete responsibility for ensuring that all contributions I make are within the limits set forth by the tax laws and for the tax consequences of any contribution and distributions. I understand that I am responsible for determining and tracking the cost basis in the IRA.
- If applicable, I hereby authorize my bank to debit the bank account identified above and authorize Pension Fund to accept these deposits. These debits and deposits are to be made under the Rules of the Automated Clearing House (ACH). If I have elected recurring contributions, I understand that this Agreement will remain in effect until I give written notice of termination to Pension Fund.
- I designate the person(s) or entity(ies) named in Section IV of this Form as beneficiaries of my IRA. I understand that this beneficiary designation will remain in effect until I complete, sign, and submit an updated *Beneficiary Designation Form* to Pension Fund, which I may do at any time. I certify that I have secured spousal consent if I have named a beneficiary other than, or in addition to, my spouse to the extent I reside in a community or marital property state and am required to secure such consent by state law with respect to all or a portion of my IRA. I further agree that if I am not currently married, but become married, I will secure spousal consent if the preceding sentence applies. I understand that to secure spousal consent, I may use the *Spousal Consent for Community and Marital Property States* form located at www.pensionfund.org. I assume complete responsibility for all consequences if I fail to obtain any required consent.
- I understand that Pension Fund and the DCRA are exempt from the registration, regulation, and reporting requirements of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and state securities laws. Participants and beneficiaries are not afforded the protection of those laws with respect to their interest in the DCRA.

Applicant Signature ______________________________ **Date** ________/________/________

If the applicant is a spouse, this Form must also be signed by the employee/former employee:

Employee/Former Employee Signature ______________________________ **Date** ________/________/________

SEND FORM(S) WITH CHECK TO: **Pension Fund of the Christian Church**
Dept. 78885, P.O. Box 78000, Detroit, MI 48278-0885

SEND FORM(S) WITH BANK INFORMATION TO: **Pension Fund of the Christian Church**
P.O. Box 6251, Indianapolis, IN 46206-6251

Toll Free Phone: 1.866.495.7322 • Phone: 317.634.4504 • Fax: 317.634.4071
E-mail: pfcc1@pensionfund.org • Website: www.pensionfund.org

Account Number ____________ **Enrollment Date** ______/______/______ **Initial Contribution $**______________
[Do not write in this box – for Pension Fund use only]

IRA DISCLOSURE STATEMENT

Pension Fund of the Christian Church

The Pension Fund of the Christian Church established and maintains the Defined Contribution Retirement Accounts of the Pension Fund of the Christian Church (Disciples of Christ) ("DCRA"). The DCRA is a retirement income account program described in Section 403(b)(9) of the Internal Revenue Code of 1986, as amended ("Code"), for the benefit of eligible employees of churches and church related organizations.

Pension Fund adopted a deemed IRA program as part of the DCRA, in accordance with Section 408(q) of the Internal Revenue Code ("Code"). The IRA program meets the requirements of Code Sections 408 and 408A, as applicable. This disclosure statement provides you with an outline of the basic rules that apply with respect to an IRA, as required by Code Section 408 or 408A, and related regulations.

A. REVOCATION OF YOUR IRA

You have the right to revoke your IRA within seven days after the IRA has been established. The IRA is considered to be established as of the date your IRA Enrollment Form is received by Pension Fund. In order to revoke your establishment of an IRA, you will need to deliver or mail a written notice to Pension Fund at:

Pension Fund of the Christian Church
P.O. Box 6251
Indianapolis, IN 46206-6251

If mailed, the notice must be post-marked by the seventh day after the IRA has been established. Upon receipt of a timely revocation, Pension Fund will refund any contributions you have made, without adjustment for earnings or fees.

B. IMPORTANT INFORMATION REGARDING YOUR IRA

Eligibility

You and your spouse are each eligible to establish an IRA if you are employed by an eligible employer under the DCRA, provided that if your spouse is establishing an IRA, you and your spouse must file a joint tax return. You can make contributions to your own IRA and your spouse can make contributions to his or her own IRA, for each year that you and your spouse have taxable compensation. Your taxable compensation includes wages, salaries, tips, professional fees, bonuses, and other amounts received for providing personal services, as well as self-employment income, nontaxable combat pay, military differential pay, and taxable alimony and separate maintenance payments. Taxable compensation does not include earnings and profits from property (rental, interest or dividend income), income from partnerships, any amounts not included in income (other than combat pay), or retirement plan payments (distributions from 403(b), 401(a), or 457 plans or from IRAs) or any other type of deferred compensation payments. Special rules allow you to consider the taxable compensation of your spouse as your own, excluding the IRA contributions made by your spouse, so that you may be able to contribute to an IRA even if you do not have taxable compensation.

You and your spouse are no longer eligible to make regular contributions to an IRA when your employment with your employer ends, unless you are reemployed by another eligible employer. However, you each can continue to make rollover contributions to your respective IRAs. In addition, you and your spouse may still establish an IRA after you sever employment with an eligible employer in order to receive rollover contributions to the IRA. You and your spouse can each make rollover contributions to your own IRA from retirement plans or IRAs held in your own name only.

Throughout the remainder of this disclosure statement, "you" refers to the employee, former employee, or spouse of either who is eligible to establish an IRA under the DCRA.

Types of IRA Contributions

You can make a regular contribution to your IRA.

You can also make a rollover contribution to your IRA.

- You can rollover funds from another traditional IRA or from a *pre-tax* account held under an eligible retirement plan to your Traditional IRA. An eligible retirement plan includes a 401(k) plan, a 403(b) plan, or a governmental 457(b) plan. For example, if you are eligible for a distribution, you can rollover your pre-tax 403(b) account under the DCRA to your Traditional IRA. You cannot rollover funds from a Roth IRA or from a Roth account held under an eligible retirement plan to your Traditional IRA.

- You can rollover funds from another Roth IRA or from a Roth account held under an eligible retirement plan to your Roth IRA. You can also rollover funds from a traditional IRA or from a *pre-tax* account held under an eligible retirement plan to your Roth IRA. For example, if you are eligible for a distribution, you can rollover your pre-tax 403(b) account under the DCRA to your Roth IRA. This type of rollover is often called a "conversion."

A rollover from an eligible retirement plan may be paid directly to your IRA (called a "direct rollover"), or it may be paid to you, after which you will have 60 days to complete the rollover transaction to your IRA (called an "indirect rollover"). A rollover from another IRA will always be paid to you first, after which you will have 60 days to complete the rollover transaction to your IRA.

You can also transfer funds directly from another IRA to your IRA through a trustee-to-trustee transfer. This type of transaction is similar to a direct rollover from an eligible retirement plan because the payment is made directly to the receiving IRA trustee instead of to you. If the transfer is made from a traditional IRA to a Roth IRA, it is called a "conversion."

You may continue to make regular contributions to a Traditional IRA until the year immediately preceding the year in which you will attain age 70½, so long as you have taxable compensation and you (or your spouse, if applicable) continue to be employed by an eligible employer under the DCRA. You may continue to make regular contributions to a Roth IRA after you attain age 70½, so long as you have taxable compensation and you (or your spouse, if applicable) continue to be employed by an eligible employer under the DCRA.

Maximum Contribution

If you are under age 50, you may only contribute a maximum of $5,500 for 2018, increased thereafter for any cost of living adjustment. If you are age 50 or over or will reach age 50 by the end of the calendar year, your maximum contribution is $6,500 for 2018, increased thereafter for any cost of living adjustment. Your maximum contribution cannot exceed 100% of your taxable compensation, except that if you file a joint return and your taxable compensation is less than that of your spouse, the amount you can contribute to an IRA is the lesser of the specified dollar limit for the year or the total taxable compensation for both you and your spouse for the year, reduced by your spouse's contribution for the year to an IRA.

Your contributions to all your IRAs are aggregated for purposes of these dollar limits and, therefore, any contribution you make to another IRA will reduce the contribution that you can make to your Roth IRA or Traditional IRA. Your contributions are not limited by participation in a retirement plan other than a traditional or Roth IRA.

However, your maximum contribution to a Roth IRA may be further reduced depending on your modified adjusted gross income (AGI) and your tax filing status.

If your filing status is	And your modified AGI is	Then you can make
Single, head of household, or married filing separately and you did not live with your spouse at any time during the year	Less than $122,000	A full contribution
	At least $122,000 but less than $137,000	A partial contribution
	$137,000 or more	No contribution
Married filing jointly or qualified widower	Less than $193,000	A full contribution
	At least $193,000 but less than $203,000	A partial contribution
	$203,000 or more	No contribution
Married filing separately and you lived with your spouse at any time during the year	$0	A full contribution
	More than $0 but less than $10,000	A partial contribution
	$10,000 or more	No contribution

These modified AGI limits may be increased after 2019 for any cost of living adjustment. For more information on these contribution limits, please see IRS Publication 590-A.

Your maximum contribution to a Traditional IRA is not affected by your modified adjusted gross income (AGI) or your tax filing status.

Deductibility of Contributions

Contributions to a Roth IRA are not tax deductible.

Contributions to a Traditional IRA are fully tax deductible if neither you nor your spouse was covered for any part of the year by an employer retirement plan. An employer retirement plan includes a defined contribution plan and a defined benefit plan. Generally, you are covered by a defined contribution plan, such as the TDRA, if amounts are contributed or allocated to your account for the plan year. You are covered by a defined benefit plan, such as the Pension Plan, for any year in which you accrue a pension benefit.

If either you or your spouse was covered for any part of the year by an employer retirement plan, you may be entitled to only a partial (reduced) deduction or no deduction at all, depending on your income and your filing status.

- **If you are covered by an employer retirement plan, use the following table:**

If your filing status is	And your modified AGI is	Then you can make
Single, head of household, or married filing separately and you did not live with your spouse at any time during the year	$64,000 or less	A full deduction
	More than $64,000 but less than $74,000	A partial deduction
	$74,000 or more	No deduction
Married filing jointly or qualified	$103,000 or less	A full deduction

widower	More than $103,000 but less than $123,000	A partial deduction
	$123,000 or more	No deduction
Married filing separately and you lived with your spouse at any time during the year	Less than $10,000	A partial deduction
	$10,000 or more	No deduction

- **If you are <u>not</u> covered by an employer retirement plan, but your <u>spouse</u> <u>is</u> covered by an employer retirement plan, use the following table:**

If your filing status is	And your modified AGI is	Then you can make
Married filing separately and you did not live with your spouse at any time during the year	Any amount	A full deduction
Married filing jointly	$193,000 or less	A full deduction
	More than $193,000 but less than $203,000	A partial deduction
	$203,000 or more	No deduction
Married filing separately and you lived with your spouse at any time during the year	Less than $10,000	A partial deduction
	$10,000 or more	No deduction

The above tables are applicable to regular contributions made to a Traditional IRA during 2019 only. The modified AGI limits shown in the tables above may be increased by the IRS after 2019 for any cost of living adjustment. In addition, if you received social security retirement benefits for the tax year, your deductible limits will be determined differently. For more information on these deductible limits, please see IRS Publication 590-A.

<u>Deadlines for IRA Contributions</u>

You may establish and make contributions to your IRA any time from January 1 of the current year until the tax filing deadline (generally April 15) of the following year. If you make a contribution after the end of the tax year but before the tax filing deadline, you may designate which tax year for which you are making the contribution.

You may establish and make regular contributions to an IRA for the prior year even if you (or your spouse, if applicable) are no longer employed by an eligible employer, so long as you were eligible to establish and make regular contributions to the IRA in the prior year.

<u>Tax-Deferred Earnings</u>

The investment earnings on your IRA account are not subject to federal income tax as they accumulate. Distributions of Traditional IRA earnings are taxable at the time of distribution. Distributions of Roth IRA earnings will be tax free if your distribution is qualified, as discussed below.

<u>Excess Contributions</u>

If your regular contributions to an IRA exceed the contribution limits, a 6% excise tax may apply to the portion of the contribution that is an excess contribution. This excise tax will apply each year that the excess contribution remains in your IRA. If you withdraw an excess contribution along with any applicable earnings prior to your deadline for making IRA contributions (your tax filing deadline for the year, generally April 15), the excise tax does not apply.

<u>Rollovers, Transfers, Conversions, and Re-Characterizations</u>

➢ *Rollovers and Transfers to an IRA.*

You may rollover funds from a 403(b), 401(k) or governmental 457(b) plan to your IRA within 60 days of receiving the distribution or by directing the administrator of the plan to transfer the funds directly to the IRA in a direct rollover. This includes a rollover from your pre-tax 403(b) account under the DCRA to your IRA. You may be eligible to rollover a distribution from an eligible retirement plan to your IRA after the 60 day deadline if you qualify for a waiver. See *Certification for Late Rollover Contribution Form*.

- Only pre-tax accounts can be rolled over to your Traditional IRA. Amounts rolled over from pre-tax accounts to a Traditional IRA are not includible in your gross income, and the 10% early withdrawal tax does not apply.

- Amounts rolled over from pre-tax accounts to a Roth IRA are treated as conversions. You must include in your gross income distributions that you would have had to include in income had you not converted them into a Roth IRA, but the 10% early withdrawal tax penalty does not apply. In addition, if you are age 70½ or older, you must remove your required minimum distribution prior to converting your pre-tax account to a Roth IRA.

You may also rollover funds from another Roth IRA or a traditional IRA to your Roth IRA, or from another traditional IRA to your Traditional IRA, within 60 days of receiving the distribution. You may be eligible to rollover a distribution from an eligible retirement plan to your IRA after the 60 day deadline if you qualify for a waiver. See *Certification for Late Rollover Contribution Form*. Alternatively, you may transfer funds from another Roth IRA or traditional IRA to your Roth IRA, or from another traditional IRA to your Traditional IRA, by directing the trustee of the other IRA to transfer the funds directly to the Roth IRA or Traditional IRA in a trustee-to-trustee transfer.

- Amounts rolled over or transferred from another traditional IRA to a Traditional IRA are not includible in your gross income, and the 10% early withdrawal tax does not apply.

- Amounts rolled over or transferred from a traditional IRA to a Roth IRA are treated as conversions. The amount of the conversion attributable to deductible contributions is includible in your gross income and subject to ordinary income tax, but the 10% early withdrawal tax penalty does not apply. In addition, if you are age 70½ or older, you must remove your required minimum distribution prior to converting your traditional IRA to a Roth IRA.

If you intend to move funds from another Roth IRA to your Roth IRA, or from another traditional IRA to your Traditional IRA, a trustee-to-trustee transfer may be more advantageous to you than a rollover. A transfer is not subject to the limitation of one rollover per 12-month period that applies to IRA-to-IRA rollovers (conversions are also not subject to this limitation). For more information, please see the IRA Owner Resource Book or your financial or tax advisor.

➢ *Rollovers and Transfers Out of an IRA.*

You may rollover part or all of a distribution from your Traditional IRA to a pre-tax account under a 403(b), 401(k) or governmental 457(b) plan within 60 days of receiving the distribution. The part of the distribution that you can rollover is the part that would otherwise be taxable (includible in your gross income) if you were not making a rollover. You are not permitted to rollover distributions from your Roth IRA to an employer-sponsored retirement plan, including a 403(b), 401(k) or governmental 457(b) plan.

You may also rollover part or all of a distribution from your Roth IRA to another Roth IRA, or from your Traditional IRA to another traditional IRA, within 60 days of receiving the distribution. Alternatively, you may transfer funds from your Roth IRA to another Roth IRA, or from your Traditional IRA to another traditional IRA, by directing Pension Fund to transfer the funds directly to the other IRA in a trustee-to-trustee transfer.

The amount of the rollover or transfer is not includible in your gross income, and the 10% early withdrawal tax penalty does not apply. However, if you intend to move funds from your Roth IRA to another Roth IRA, or from your Traditional IRA to another traditional IRA, a trustee-to-trustee transfer may be more advantageous to you than a rollover. A transfer is not subject to the limitation of one rollover per 12-month period that applies to IRA-to-IRA rollovers. Note, however, that IRA providers are not required to permit or accept trustee-to-trustee transfers. If you need more information, please see the IRA Owner Resource Book or your financial or tax advisor.

- *Conversions.*

You may convert your Traditional IRA to a Roth IRA by rolling over a distribution from the Traditional IRA to the Roth IRA within 60 days of receiving the Traditional IRA distribution or by directing Pension Fund to transfer the funds directly to the Roth IRA in a trustee-to-trustee transfer. If you are age 70½ or older, you must remove your required minimum distribution prior to converting your Traditional IRA. Regardless of whether you rollover or transfer funds to a Roth IRA from your Traditional IRA, the amount of the conversion attributable to deductible contributions is includible in your gross income and subject to ordinary income tax, but the 10% early withdrawal tax penalty does not apply. The limitation of one rollover per 12-month period that applies to IRA-to-IRA rollovers does not apply to conversions.

- *Limitation on IRA Rollovers.*

You are limited to making one rollover from an IRA to another IRA in a 12-month period. However, this restriction does not apply to a conversion of a traditional IRA to a Roth IRA, or to a trustee-to-trustee transfer from one IRA trustee to another IRA trustee.

- *Recharacterizations.*

You may request a trustee-to-trustee transfer of a regular contribution made to a traditional IRA, adjusted by earnings or losses, to your Roth IRA prior to your tax filing deadline plus extensions. You may also request a trustee-to-trustee transfer of a regular contribution made to a Roth IRA, adjusted by earnings or losses, to your Traditional IRA prior to your tax filing deadline plus extensions. The transferred contribution will be treated as if it had always been made to your Roth IRA or Traditional IRA, as applicable, also called a "recharacterization" of the IRA contribution. Effective January 1, 2018, however, a rollover or conversion from a traditional IRA or a pre-tax account to a Roth IRA cannot be recharacterized.

<u>Taxation of Distributions from an IRA</u>

You may request a distribution of your funds in your IRA at any time.

The taxation of your distributions depends on the type of IRA and the type of distribution.

- *Traditional IRA.*

If only deductible contributions were made to your Traditional IRA, your distributions are fully taxable unless you roll over your distribution to another traditional IRA or eligible retirement plan. If nondeductible contributions were made to your Traditional IRA, the portion of your distribution that represents the nondeductible contributions will not be taxed. All earnings are taxable when received.

➢ *Roth IRA.*

If your distribution is a qualified distribution, both your Roth IRA contributions and earnings will be distributed to you tax free. A qualified distribution is a distribution that is made after the end of a five year period beginning with the first day of the year in which you made your initial contribution to a Roth IRA and that meets one of the following requirements: (ii) the distribution is made after you are at least 59½ years old, (ii) the distribution is made after you become disabled, (iii) you are the beneficiary of the deceased IRA owner, or (iv) the distribution is for a first time home purchase.

If your distribution is not a qualified distribution, the earnings will be included in your gross income. However, if you request a partial distribution of your account, your annual contributions will be treated as distributed first, then your conversion contributions, and then your earnings. Therefore, your non-qualified distribution will not be taxable unless your distribution exceeds your annual contributions plus conversions.

Unless you rollover your Roth IRA distribution to another Roth IRA, you must generally pay a 10% penalty tax on your Roth IRA earnings if the distribution is not a qualified distribution. Unless you rollover your distribution to another traditional IRA or eligible retirement plan, you must generally pay a 10% penalty tax on the part of the distribution that you have to include in taxable income. This penalty tax is not applicable if the distribution meets one of the following exceptions:

- is made after you are at least 59½ years old
- is made in the form of an annuity
- is made after you become disabled
- is made to you as the beneficiary of the deceased IRA owner
- is for a first time home purchase
- is for medical expenses in excess of 7.5% of your adjusted gross income
- is for qualified higher education expenses
- is for medical insurance premiums while you are unemployed
- is due to an IRS levy
- is a qualified reservist distribution

If you take a distribution from your Roth IRA before the end of the five year period beginning with the first day of the year in which you converted an amount from a traditional IRA or qualified retirement plan to the Roth IRA, you must generally pay a 10% penalty tax on the portion of the conversion distribution that you had to include in income because of the conversion. A separate five year period applies to each conversion. This penalty tax is not applicable if the distribution meets one of the exceptions to the early distribution tax penalty set forth above.

A trustee-to-trustee transfer from your Traditional IRA to another traditional IRA or from your Roth IRA to another Roth IRA is not treated as a distribution. However, a conversion from your Traditional IRA to a Roth IRA is treated as a distribution.

Qualified Charitable Distributions

If you have attained age 70½, you may request that all or a part of your IRA up to $100,000 be contributed to a qualified charitable organization through a qualified charitable distribution. The amount of the qualified charitable distribution is limited to the amount of the distribution that would otherwise be included in income. A qualified charitable distribution is not subject to federal income tax and no tax deduction is allowed for the charitable contribution. A qualified charitable distribution must be distributed directly from your IRA to a qualified charitable organization.

Fees and Expenses

Pension Fund may charge certain fees and expenses specific to you against your IRA. These may include, for example, wire transfer charges, multiple withdrawal fees, or fees for transfers incident to a divorce.

Income Tax Withholding

Pension Fund is required to withhold from your distribution for federal income tax purposes. The required withholding amount is 10% if you elect a lump sum distribution or withholding as if you are married with three exemptions if you elect a periodic distribution. You may instead elect for no withholding or for additional withholding. Withholding does not apply to a trustee-to-trustee transfer from your Roth IRA to another Roth IRA, or from your Traditional IRA to another traditional IRA.

State income tax withholding may also apply to distributions from your IRA account when federal income tax is withheld. Please contact your tax advisor for information about your state's income tax withholding requirements.

Required Minimum Distributions

You are not required to take required minimum distributions from your Roth IRA during your lifetime.

You are required to begin taking distributions from your Traditional IRA by no later than April 1 of the calendar year following the year in which you reach age 70½. Pension Fund will calculate the amounts required to be distributed to you and notify you prior to the date that distributions must begin. To the extent available, you may be able to withdraw any required amounts from another IRA that you own instead of from your Traditional IRA. The payment of benefits under this rule is important to avoid a 50% excise tax on the difference between your required distribution and the amount actually distributed to you.

Transfers Incident to Divorce

Pension Fund may approve a direct transfer of all or a portion of your IRA to a separate IRA or plan in your spouse's name pursuant to a written divorce or separate maintenance decree which complies with Code Section 408(b)(6). This transfer will reduce the funds in your IRA.

After Death Distributions to Beneficiaries

You may designate a beneficiary for your IRA on the IRA Enrollment Form when you establish your IRA or at a later date by completing a *Beneficiary Designation Form* and returning it to Pension Fund. Upon your death, if benefits have not begun to be distributed, your IRA will be payable only to your primary beneficiary(ies). If your primary beneficiary(ies) predecease you, your IRA will be payable to any contingent beneficiary(ies). If you do not complete a *Beneficiary Designation Form* or if you do not list a contingent beneficiary and your primary beneficiary(ies) predecease you, your IRA will be payable to your estate.

If your sole beneficiary is your spouse, your spouse may elect to either treat himself or herself as the beneficiary of the inherited IRA, to treat the inherited IRA as his or her own IRA, or to rollover the inherited IRA to another IRA of your spouse.

- If your spouse treats himself or herself as the beneficiary of an inherited Roth IRA, your spouse may elect to delay distributions until you would have reached age 70½.

- If your spouse does not take the required minimum distribution for the year as a beneficiary of your Traditional IRA, he or she will be deemed to have elected to treat the Traditional IRA as his or her own. This may delay the time at which your spouse must begin distributions from the Traditional IRA.

For non-spouse beneficiaries, the inherited IRA cannot be rolled over to an IRA in the name of the non-spouse beneficiary, and the non-spouse beneficiary must begin receiving distributions from the inherited IRA that are required for beneficiaries.

If a distribution from a Roth IRA to your beneficiary is not a qualified distribution, it is includible in the beneficiary's gross income in the same manner it would have been included in your income had it been distributed to you while living.

A beneficiary of an inherited IRA is not treated the same as an IRA owner, except in the case of a spouse beneficiary who elects to be treated as the IRA owner. The distinctions can be important for the beneficiary's own financial and retirement planning. For example, an inherited IRA is not excluded from a beneficiary's estate in bankruptcy proceedings. Beneficiaries should consult with a financial or tax advisor to fully understand their rights with respect to an inherited IRA.

C. DCRA Provisions Regarding Deemed IRAS

The provisions establishing a deemed IRA are incorporated into the DCRA, which provisions are set forth below in their entirety, effective as of January 1, 2017.

Section 9.01 Adoption and Effective Date. This Article IX shall supersede any provisions of the Plan to the extent inconsistent with the provisions of this Article.

Section 9.02 Eligibility for and Funding of Deemed IRAs.

(a) An Employee may establish and make Voluntary Employee Contributions and/or Rollover Contributions to a Deemed IRA under the Plan.

(b) A former Employee may establish and/or make Rollover Contributions to a Deemed IRA under the Plan.

(c) A Spouse who files a joint tax return with an Employee under paragraph (a) may establish and make Voluntary Employee Contributions and/or Rollover Contributions to his or her own Deemed IRA under the Plan.

(d) A Spouse who files a joint tax return with a former Employee under paragraph (b) may establish and/or make Rollover Contributions to his or her own Deemed IRA under the Plan.

(e) The Plan shall establish a separate Account and maintain separate recordkeeping with respect to each such Deemed IRA.

Section 9.03 Deemed IRA Requirements.

(a) This Article shall satisfy the separate trust requirement under Code Section 408(q) and the regulations thereto. Deemed IRAs established pursuant to this Article shall be held in the Deemed IRA Trust, which shall satisfy the applicable requirements of Code Sections 408 and 408A, which requirements are set forth in Section 9.08 and 9.09, respectively, and is hereby established with Deemed IRA Trustee. The Deemed IRA Trust, and any amendments thereto, is hereby adopted as a trust maintained under this Plan with respect to the assets held therein, and the provisions of such Deemed IRA Trust shall control so long as any assets of any Deemed IRA are held thereunder.

(b) Pursuant to Treasury Regulation Section 1.408-2(e)(6)(v), Pension Fund shall substitute another Deemed IRA Trustee upon notification by the Commissioner of the Internal Revenue Service that such substitution is required because the Deemed IRA Trustee has failed to comply with the requirements of Treasury Regulation Section 1.408-2(e), or is not keeping such records, or making such returns, or rendering such statements as are required by forms or regulations.

Section 9.04 **Reporting Duties.** The Deemed IRA Trustee, or its delegate, shall be subject to the reporting requirements of Code Section 408(i) with respect to all Deemed IRAs that are established and maintained under the Plan.

Section 9.05 **Procedures for Deemed IRAs.** Except as specifically provided by this Article IX, or by Code Sections 408 or 408A or by the applicable Treasury Regulations, all procedural provisions of this Plan shall apply to the Deemed IRAs.

Section 9.06 **Valuation of Deemed IRAs.** The Member's Account value in a Deemed IRA includes the amount of any outstanding rollover, transfer, and recharacterization under Q&As-7 and -8 of Treasury Regulation Section 1.408-8.

Section 9.07 **Beneficiary of Deemed IRAs.** With respect to this Article IX, if the Beneficiary of a Deemed IRA, so designated by the Member, shall die after the death of the Member, but prior to receiving a complete distribution of the balance of his or her Deemed IRA amount that would have been paid to such Beneficiary had such Beneficiary's death not then occurred, the undistributed balance of the Deemed IRA that would otherwise have been received by such Beneficiary shall be paid to such person or persons as the Beneficiary shall have designated during his or her lifetime, or, if there is no such designation, to the Beneficiary's estate

Section 9.08 **Deemed Traditional IRA Requirements.** The Deemed IRA Trust shall satisfy the following requirements for Deemed Traditional IRAs.

(a) Exclusive Benefit. The Deemed Traditional IRA Accounts are established for the exclusive benefit of the Member or his or her Beneficiaries.

(b) Maximum Annual Contributions.

(1) No Voluntary Employee Contributions shall be accepted to a Deemed Traditional IRA unless they are in cash, and the total of such contributions shall not exceed Five Thousand Five Hundred Dollars ($5,500) for 2018, increased thereafter by the Cost of Living Adjustment.

(2) A Member who will attain age fifty (50) or more by the end of the Plan Year may instead make Voluntary Employee Contributions up to Six Thousand Five Hundred Dollars ($6,500) for 2018, increased thereafter by the Cost of Living Adjustment.

(3) These contribution limits do not apply in the case of a rollover contribution as described in Code Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3) and 457(e)(16); an employer contribution to a simplified employee pension plan as described in Code Section 408(k); or a recharacterized contribution as described in Code Section 408A(d)(6).

(4) Voluntary Employee Contributions shall not be accepted to a Deemed Traditional IRA for any year beginning with the year in which the Member attains age seventy and one-half (70½) or thereafter.

(c) Collectibles. No part of the Deemed IRA Trust funds attributable to a Deemed Traditional IRA shall be invested in collectibles within the meaning of Code Section 408(m), except as otherwise permitted by Code Section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins issued under the laws of any state, and certain bullion.

(d) Life Insurance Contracts. No part of the Deemed IRA Trust funds attributable to a Deemed Traditional IRA shall be invested in life insurance contracts.

(e) SIMPLE IRA Contributions. No contributions shall be accepted under a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). No transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan shall be accepted from a SIMPLE IRA, that is, a Traditional IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the two (2) year period beginning on the date the individual first participated in that employer's SIMPLE IRA plan.

(f) Minimum Required Distributions.

(1) Notwithstanding any provision of the Deemed Traditional IRA to the contrary, the distribution of the individual's interest in the Account shall be made in accordance with the requirements of Code Section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference. The required minimum distributions calculated for the Deemed Traditional IRA may be withdrawn from another IRA of the individual in accordance with Q&A-9 of Treasury Regulation Section 1.408-8.

(2) The entire value of the Deemed Traditional IRA Account of the Member for whose benefit the Account is maintained will commence to be distributed no later than the first day of April following the calendar year in which such Member attains age seventy and one-half (70½) (the "required beginning date") over (a) the life of such Member or the lives of such Member and his or her designated Beneficiary, or (b) a period certain not extending beyond the life expectancy of such Member, or the joint and last survivor expectancy of such Member and his or her designated Beneficiary.

(3) The amount to be distributed each year, beginning with the calendar year in which the Member attains age seventy and one-half (70½) and continuing through the year of death, shall not be less than the quotient obtained by dividing the value of the Deemed Traditional IRA (as determined under Section 9.08(g)(3)) as of the end of the preceding year by the distribution period in the Uniform Lifetime Table in Q&A-2 of Treasury Regulation Section 1.401(a)(9)-9, using the Member's age as of his or her birthday in the year. However, if the Member's sole designated Beneficiary is his or her surviving Spouse and such Spouse is more than ten (10) years younger than the Member, then the distribution period is determined under the Joint and Last Survivor Table in Q&A-3 of Treasury Regulation Section 1.401(a)(9)-9, using the ages as of the Member's and Spouse's birthdays in the year.

(4) The required minimum distribution for the year the Member attains age seventy and one-half (70½) can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.

(g) Distribution Upon Death.

(1) Death On or After Required Beginning Date. If the Member dies on or after the required beginning date, the remaining portion of his or her interest will be distributed at least as rapidly as follows:

(i) If the designated Beneficiary is someone other than the Member's surviving Spouse, the remaining interest will be distributed over the remaining life expectancy of the designated Beneficiary, with such life expectancy determined using the Beneficiary's age as of his or her birthday in the year following the year of the Member's death, or over the period described in paragraph (1)(iii) below if longer.

(ii) If the Member's sole designated Beneficiary is the Member's surviving Spouse, the remaining interest will be distributed over such Spouse's life or over the period described in paragraph (1)(iii) below if longer. Any interest remaining after such Spouse's death will be distributed over such Spouse's remaining life expectancy determined using the Spouse's age as of his or her birthday in the year of the Spouse's death, or, if the distributions are being made over the period described in paragraph (1)(iii) below, over such period.

(iii) If there is no designated Beneficiary, or if applicable by operation of paragraph (1)(i) or (1)(ii) above, the remaining interest will be distributed over the Member's remaining life expectancy determined in the year of the Member's death.

(iv) The amount to be distributed each year under paragraph (1)(i), (ii) or (iii), beginning with the calendar year following the calendar year of the individual's death, is the quotient obtained by dividing the value of the Deemed Traditional IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Treasury Regulation Section 1.401(a)(9)-9.

(v) If distributions are being made to a surviving Spouse as the sole designated Beneficiary, such Spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such Spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's or Member's age in the year specified in paragraph (1)(i), (ii) or (iii) and reduced by one (1) for each subsequent year.

(2) Death Before Required Beginning Date. If the Member dies before the required beginning date, his or her entire interest will be distributed at least as rapidly as follows:

(i) If the designated Beneficiary is someone other than the Member's surviving Spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Member's death, over the remaining life expectancy of the designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Member's death, or, if elected, in accordance with paragraph (2)(ii) below.

(ii) If the Member's sole designated Beneficiary is the Member's surviving Spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Member's death (or by the end of the calendar year in which the Member would have attained age seventy and one-half (70½), if later), over such Spouse's life, or, if elected, in accordance with paragraph (2)(iii) below. If the surviving Spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the Spouse's death, over the Spouse's designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the Spouse, or, if elected, will be distributed in accordance with paragraph (2)(iii) below. If the surviving Spouse dies after distributions are required to begin, any remaining interest will be distributed over the Spouse's remaining life expectancy determined using the Spouse's age as of his or her birthday in the year of the Spouse's death.

(iii) If there is no designated Beneficiary, or if applicable by operation of paragraph (2)(i) or (2)(ii) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Member's death (or of the Spouse's death in the case of the surviving Spouse's death before distributions are required to begin under paragraph (2)(ii) above).

(iv) The amount to be distributed each year under paragraph (2)(i) or (ii) is the quotient obtained by dividing the value of the Deemed Traditional IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Treasury Regulation Section 1.401(a)(9)-9. If distributions are being made to a surviving Spouse as the sole designated Beneficiary, such Spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such Spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in paragraph (2)(i) or (ii) and reduced by one (1) for each subsequent year.

(h) Nonforfeitable. The interest of a Member in the balance in his or her Deemed Traditional IRA Account is nonforfeitable at all times.

(i) Reporting. The Deemed IRA Trustee, or its delegate, shall furnish annual calendar year reports concerning the status of the Deemed Traditional IRA Account and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue.

(j) Spousal Provisions. To the extent permitted under Code Section 408(q) and the regulations thereunder, if the sole designated Beneficiary is the individual's surviving Spouse, the Spouse may elect to treat the Deemed Traditional IRA as his or her own IRA. This election will be deemed to have been made if such Spouse makes a contribution to the Deemed Traditional IRA or fails to take required distributions as a Beneficiary.

(k) Construction. Notwithstanding any other sections which may be added or incorporated, the provisions of this Section 9.08 shall be controlling with respect to each Deemed Traditional IRA created under the Plan. Any other provisions of this Plan inconsistent with Code Section 408(a)(6), the Treasury Regulations, and other published guidance will be invalid with respect to a Deemed Traditional IRA.

Section 9.09 Deemed Roth IRA Requirements. The Deemed Roth IRA Trust shall satisfy the following requirements for Deemed Roth IRAs.

(a) Exclusive Benefit. The Deemed Roth IRA Accounts are established for the exclusive benefit of the Member or his or her Beneficiaries.

(b) Maximum Annual Contributions.

(1) Maximum Permissible Amount. Except in the case of a qualified rollover contribution or a recharacterization (as defined in paragraph (5) below), no Voluntary Employee Contribution will be accepted unless it is in cash and the total of such contributions to all the Member's Roth IRAs for a taxable year does not exceed the applicable amount (as defined in paragraph (2) below), or the Member's compensation (as defined in paragraph (7) below), if less, for that taxable year. The contribution described in the previous sentence that may not exceed the lesser of the applicable amount or the Member's compensation is referred to as a "regular contribution." A "qualified rollover contribution" is a rollover contribution that meets the requirements of Code Section 408(d)(3), except the one (1) rollover per year rule of Code Section 408(d)(3)(B) does not apply if the rollover contribution is from a Traditional IRA. A qualified rollover contribution also includes a rollover from a designated Roth account described in Code Section 402A. Voluntary Employee Contributions may be limited under (2) through (4) below.

(2) Applicable Amount. The applicable amount is determined under (i) or (ii) below:

(i) If the Member is under age fifty (50), the applicable amount is Five Thousand Five Hundred Dollars ($5,500) for 2018, increased thereafter by the Cost of Living Adjustment.

(ii) If the Member is age fifty (50) or older or will attain age fifty (50) by the end of the Plan Year, the applicable amount is Six Thousand Five Hundred Dollars ($6,500) for 2018, increased thereafter by the Cost of Living Adjustment.

(3) Regular Contribution Limit. If (i) and/or (ii) below apply, the maximum regular contribution that can be made to all the Member's Roth IRAs is the smaller amount determined under (i) or (ii).

(i) The maximum regular contribution is phased out ratably between certain levels of modified adjusted gross income ("modified AGI," defined in (6) below) in accordance with the following table:

Filing Status	Full Contribution	Phase-out Range	No Contribution
		Modified AGI	
Single or Head of Household	Less than $122,000	At least $122,000 but less than $137,000	$137,000 or more
Joint Return or Qualifying Widower	Less than $193,000	At least $193,000 but less than $203,000	$203,000 or more
Married-Separate Return	$0	More than $0 but less than $10,000	$10,000 or more

The above dollar amounts are for 2019, and increased thereafter by the Cost of Living Adjustment. If the Member's modified AGI for a taxable year is in the phase-out range, the maximum regular contribution determined under this table for that taxable year is rounded up to the next multiple of Ten Dollars ($10) and is not reduced below Two Hundred Dollars ($200).

(ii) If the Member makes regular contributions to both Roth and Traditional IRAs for a taxable year, the maximum regular contribution that can be made to all the Member's Roth IRAs for that taxable year is reduced by the regular contributions made to the Member's Traditional IRAs for the taxable year.

(4) SIMPLE IRA Limits. No contributions will be accepted under a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). No transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA; that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the two (2) year period beginning on the date the individual first participated in that employer's SIMPLE IRA plan.

(5) Recharacterization. A regular contribution to a Traditional IRA may be recharacterized pursuant to the rules in Treasury Regulation Section 1.408A-5 as a regular contribution to this Deemed Roth IRA, subject to the limits in (3) above.

(6) Modified AGI. For purposes of (3) above, a Member's modified AGI for a taxable year is defined in Code Section 408A(c)(3)(C)(i) and does not include any amount included in adjusted gross income as a result of a rollover from a Traditional IRA (a "conversion").

(7) Compensation. For purposes of (1) above, "compensation" is defined as wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, and bonuses) and includes earned income, as defined in Code Section 401(c)(2) (reduced by the deduction the self-employed individual takes for contributions made to a self-employed retirement plan). For purposes of this definition, Code Section 401(c)(2) shall be applied as if the term trade or business for purposes of Code Section 1402 included service described in Code Subsection 1402(c)(6). Compensation does not include amounts derived from or received as earnings or profits from property (including but not limited to interest and dividends) or amounts not includible in gross income. Compensation also does not include any amount received as a pension or annuity or as deferred compensation. The term "compensation" shall include any amount includible in the individual's gross income under Code Section 71 with respect to a divorce or separation instrument described in subparagraph (A) of Code Section 71(b)(2). In the case of a married individual filing a joint return, the greater compensation of his or her Spouse is treated as his or her own compensation, but only to the extent that such Spouse's compensation is not being used for purposes of the Spouse making a contribution to a Roth IRA or a deductible contribution to a Traditional IRA.

(c) Collectibles. No part of the Deemed IRA Trust funds attributable to a Deemed Roth IRA shall be invested in collectibles within the meaning of Code Section 408(m), except as otherwise permitted by Code Section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins issued under the laws of any state, and certain bullion.

(d) Life Insurance Contracts. No part of the Deemed IRA Trust funds attributable to a Deemed Roth IRA shall be invested in life insurance contracts.

(e) Distributions Before Death. No amount is required to be distributed prior to the death of the Member for whose benefit the Deemed Roth IRA account was originally established.

(f) Minimum Required Distributions.

(1) Notwithstanding any provision of this Deemed Roth IRA to the contrary, the distribution of the Member's interest in the account shall be made in accordance with the requirements of Code Section 408(a)(6), as modified by Code Section 408A(c)(5), and the regulations thereunder, the provisions of which are herein incorporated by reference.

(2) Upon the death of the Member, his or her entire interest will be distributed at least as rapidly as follows:

(i) If the designated Beneficiary is someone other than the Member's surviving Spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Member's death, over the remaining life expectancy of the designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Member's death, or, if elected, in accordance with paragraph (2)(iii) below.

(ii) If the Member's sole designated Beneficiary is the Member's surviving Spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Member's death (or by the end of the calendar year in which the Member would have attained age seventy and one-half (70½), if later), over such Spouse's life, or, if elected, in accordance with paragraph (2)(iii) below. If the surviving Spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the Spouse's death, over the Spouse's designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the Spouse, or, if elected, will be distributed in accordance with paragraph (2)(iii) below. If the surviving Spouse dies after distributions are required to begin, any remaining interest will be distributed over the Spouse's remaining life expectancy determined using the Spouse's age as of his or her birthday in the year of the Spouse's death.

(iii) If there is no designated Beneficiary, or if applicable by operation of paragraph (2)(i) or (2)(ii) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Member's death (or of the Spouse's death in the case of the surviving Spouse's death before distributions are required to begin under paragraph (2)(ii) above).

(iv) The amount to be distributed each year under paragraph (2)(i) or (ii) is the quotient obtained by dividing the value of the Deemed Roth IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Treasury Regulation Section 1.401(a)(9)-9. If distributions are being made to a surviving Spouse as the sole designated Beneficiary, such Spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such Spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in paragraph (2)(i) or (ii) and reduced by one (1) for each subsequent year.

(g) Nonforfeitable. The interest of a Member in the balance in his or her Deemed Roth IRA account is nonforfeitable at all times.

(h) Reporting. The Deemed IRA Trustee, or its delegate, shall furnish annual calendar year reports concerning the status of the Deemed Roth IRA Account and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue.

(i) Construction. Notwithstanding any other sections which may be added or incorporated, the provisions of this Section 9.09 and this sentence will be controlling with respect to each Deemed Roth IRA created under the Plan. Any additional sections inconsistent with Code Section 408A, the Treasury Regulations, and other published guidance will be invalid.

(j) Rollovers into Deemed Roth IRA. Upon any distribution event pursuant to which a Member or a Beneficiary who is a Member's surviving Spouse would be permitted to have all or any portion of the Member's Account that qualifies as an Eligible Rollover Distribution rolled over into another Eligible Retirement Plan, such Member or Beneficiary who is a Member's surviving Spouse may elect to have the portion of such Eligible Rollover Distribution that is not attributable to contributions to the Deemed Roth IRA directly rolled over into a separately maintained Account within his or her Deemed Roth IRA. Any such amounts will be included in gross income as if the distribution had been made to such Member or Beneficiary who is a Member's surviving Spouse.

D. ADDITIONAL INFORMATION

The purpose of this disclosure statement is to provide you detailed information about your IRA. If you need more information, please see the IRA Owner Resource Book or review IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs) and IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).

IRA FINANCIAL DISCLOSURE STATEMENT

Pension Fund
of the Christian Church

Pension Fund will invest the funds in your IRA account. Your IRA will be credited with a base interest rate designated by Pension Fund and a good experience credit, if any, designated from time to time by Pension Fund's Board of Trustees.

The base interest rate is determined by Pension Fund quarterly. The base interest rate is credited at the end of each calendar quarter. Pension Fund has adopted policies which utilize indices based upon average short and intermediate term fixed income investment rates to guide decisions in establishing the base interest rate. By policy, the base interest rate may not be lower than 3.0% nor greater than 6.0%.

If a good experience credit is declared by the Board, the good experience credit is calculated on the average daily balance of the IRA for the calendar year and credited on March 31 of the subsequent year.

The account values below provide a projection of your IRA's value by stating the amount that would be available to you were you to withdraw your funds at the indicated times. The projections are based on the following assumptions:

- A $1,000 deposit is made annually on the first day of each year.
- Your age on January 1 of the contribution year is 40.
- The average base interest rate for each year is 3%.
- The base interest rate is compounded daily.

NUMBER OF YEARS IN IRA PROGRAM	TOTAL ACCUMULATION OF IRA DOLLARS	AMOUNT AVAILABLE LESS EARLY WITHDRAWAL PENALTY
1 year	$1,030.45	$927.41
2 years	$2,092.28	$1,883.05
3 years	$3,186.46	$2,867.81
4 years	$4,313.95	$3,882.56
5 years	$5,475.78	$4,928.20

END OF THE YEAR YOU REACH AGE	TOTAL ACCUMULATION OF IRA DOLLARS
60	$29,694.26
65	$39,975.37
70	$51,920.24

Good experience credits are not included in this projection. The account values shown on this page are only projections and are based on many assumptions. They are not guaranteed, but depend on many factors, including the interest rates, earnings, and terms of future investment instruments.