WHY PENSION FUND

- Serving all who serve in the Stone-Campbell/Restoration Movement including spouses.
  - Churches
  - Schools, colleges, universities, and seminaries
  - Benevolent care facilities

- Over 13,000 members with more than $3 billion in assets
- Pension Fund gives back more than $1.5 million per year through our various programs
PENSION FUND IS...

**Strong.**
Even in times of economic uncertainty, Pension Fund has remained strong for over 120 years.

**Smart.**
Enrollment is the only requirement for you to benefit from our expertise in managing your financial assets – simple and easy.

**Secure.**
In our history, no participant has experienced a loss in value of his or her retirement account.
THE THREE TYPES OF SAVINGS YOU NEED

EMERGENCY FUND

SHORT-TERM SAVINGS

LONG-TERM SAVINGS & INVESTMENTS
How we help You on the Road to Financial Wellness

**Employer-Sponsored Products**
- Pension Plan*
- Tax-Deferred Retirement Account**

**Individual Savings Products**
- IRAs Traditional** & Roth**
- Benefit Accumulation Account**

Eligible for Special Apportionments* (additional credits) or Good Experience Credits** (additional interest)
PENSION PLAN

- Guaranteed monthly payment for life for you and your spouse
- Allows clergy to take housing allowance in retirement
- Provides death benefits for your spouse and children
- Provides disability benefits should you become unable to work

Eligible for additional credits through Special Apportionments.

WWW.PENSIONFUND.ORG
PENSION PLAN: HOW IS IT CALCULATED?

Total dues are 14% of gross salary which is used to provide two types of benefits:

- An annual pension paid at retirement (11%)
- Death & disability coverage prior to reaching retirement (3%)

To determine the annual dollar pension payment, this cumulative gross salary is converted into pension credits using the following formula:

\[
\text{Gross Salary} \times 0.014966 = \text{Total Pension Credits}
\]
PENSION PLAN: HOW IS IT CALCULATED?

Dawn is a 30-year old part-time employee who earned an average gross salary of $20,000 per year. Let’s look at what Dawn’s annual retirement pension would be at:

- **Full Age 65 Retirement**:
  
  $20,000 \times 0.014966 \times 35 \text{ Years} = $10,476.20 \text{ per year for life with a 50\% survivor benefit.}

- **Only 10 Years Paid In**:
  
  $20,000 \times 0.014966 \times 10 \text{ Years} = $2,993.20 \text{ per year for life with a 50\% survivor benefit.}

WWW.PENSIONFUND.ORG
PENSION PLAN: HOW IS IT CALCULATED?

Jeff is a 45-year old full-time employee who earned an average gross salary of $60,000 per year through the course of his career. Let's look at what Jeff's annual retirement pension would be at:

**Full Age 65 Retirement**

$60,000 x .014966 x 35 Years = $31,428.60 per year for life with a 50% survivor benefit.

**Only 10 Years Paid In**

$60,000 x .014966 x 10 Years = $8,979.60 per year for life with a 50% survivor benefit.
WHAT IS A SPECIAL APPORTIONMENT?

- Special Apportionments are additional pension credits over and above those allotted for in the retirement formula required for current and future benefits.
- The Pension Fund Board of Directors reviews the reserves required for current and future benefits, as well as reserves needed for potential market declines.
- When reserves exist above what is required by policy, the Board of Directors may declare a Special Apportionment.
- They’re awarded as a percentage of the accumulated pension credits in a Pension Plan member’s account.
Pension Plan
10 Year Historical Rates

This illustration represents historical data and may not be indicative of future performance. Special Apportionments are shown in the year they are received.
A LOOK AT PENSION PLAN SCENARIOS

Introducing Pauline, a part-time employee making $20,000 per year.

<table>
<thead>
<tr>
<th>Estimated Pension</th>
<th>Annual Pension Estimate</th>
<th>Annual Pension Estimate with Special Apportionments</th>
</tr>
</thead>
<tbody>
<tr>
<td>$20,000 salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3% annual increase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 years</td>
<td>$3,431</td>
<td>$3,868</td>
</tr>
<tr>
<td>20 years</td>
<td>$8,043</td>
<td>$10,410</td>
</tr>
<tr>
<td>30 years</td>
<td>$14,240</td>
<td>$25,056</td>
</tr>
<tr>
<td>40 years</td>
<td>$22,569</td>
<td>$56,452</td>
</tr>
</tbody>
</table>

*Estimate based on history of participation at 14% each year and a yearly increase of 3% as of Jan. 1. It assumes active contributions for all years represented. Special Apportionments are based on historical performance and not a promise of future payment, only an estimate, rounded to nearest dollar.
Estimated Pension
$60,000 salary
3% annual increase

Annual Pension Estimate

Annual Pension Estimate with Special Apportionments

<table>
<thead>
<tr>
<th>Years</th>
<th>Pension Estimate</th>
<th>Annual Pension Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>$10,294</td>
<td>$11,602</td>
</tr>
<tr>
<td>20</td>
<td>$24,129</td>
<td>$31,229</td>
</tr>
<tr>
<td>30</td>
<td>$42,721</td>
<td>$75,168</td>
</tr>
<tr>
<td>40</td>
<td>$67,707</td>
<td>$169,356</td>
</tr>
</tbody>
</table>

*Estimate based on history of participation at 14% each year and a yearly increase of 3% as of Jan. 1. It assumes active contributions for all years represented. Special Apportionments are based on historical performance and not a promise of future payment, only an estimate, rounded to nearest dollar.
TAX-DEFERRED RETIREMENT ACCOUNT (TDRA)

- Tax-advantaged 403(b) retirement savings plan - pre-tax dollars are contributed through your employer reducing your taxable income
- Employer can choose to match employee contributions
- Allows rollover funds from other accounts
- Choice of beneficiaries - a great estate planning tool
- Complements your other retirement plans such as your Pension Plan in retirement income

Current interest rate of 3.5%. Plus eligible for additional interest through Good Experience Credits.

WWW.PENSIONFUND.ORG
WHAT ARE GOOD EXPERIENCE CREDITS?

- Good Experience Credits are additional interest earnings applied to accounts based on the twelve month, average daily balance as of Sept. 30.
- 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.
- Over time, these extra earnings can make a significant difference when saving for retirement.
# HOW YOUR FUNDS CAN GROW WITH A TDRA

<table>
<thead>
<tr>
<th>ANNUAL SALARY</th>
<th>MONTHLY DEPOSIT</th>
<th>10 YEARS</th>
<th>15 YEARS</th>
<th>20 YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>$36K</td>
<td>$25</td>
<td>$3,595</td>
<td>$5,924</td>
<td>$8,699</td>
</tr>
<tr>
<td>$60K</td>
<td>$425</td>
<td>$61,118</td>
<td>$100,716</td>
<td>$147,886</td>
</tr>
<tr>
<td>$100K</td>
<td>$625</td>
<td>$89,878</td>
<td>$148,111</td>
<td>$219,479</td>
</tr>
</tbody>
</table>

* This example is not a guarantee of TDRA performance. Calculation assumes a fixed annual interest rate of 3.5% and does not include Good Experience Credits.
Annualized Returns

<table>
<thead>
<tr>
<th>Year</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>20 Year</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>14.10%</td>
<td>7.13%</td>
<td>8.08%</td>
<td>6.28%</td>
<td>7.67%</td>
<td>9.06%</td>
</tr>
</tbody>
</table>

* Base rate listed is the average of the quarterly base rates for the year. Good Experience Credits listed in the year it was received in accounts. Annualized return includes compounding. Data above represents historical data and may not be indicative of future performance.
Tax-Deferred Retirement Account
Investment of $1,000 over 10 Years

* Based on an initial investment of $1,000. Good Experience Credits listed in the year it was received in accounts. Annualized return includes compounding. Data above represents historical data and may not be indicative of future performance.

WWW.PENSIONFUND.ORG
## CAN I ROLLOVER MONEY INTO A PENSION FUND PRODUCT?

### Retirement Account Rollover Eligibility

<table>
<thead>
<tr>
<th>Roll from:</th>
<th>Pension Plan</th>
<th>TDRA (403b)</th>
<th>Roth IRA</th>
<th>Traditional IRA</th>
</tr>
</thead>
<tbody>
<tr>
<td>403b (pre-tax)</td>
<td>No</td>
<td>Yes</td>
<td>Yes*</td>
<td>Yes</td>
</tr>
<tr>
<td>Traditional IRA</td>
<td>No</td>
<td>Yes</td>
<td>Yes*</td>
<td>Yes</td>
</tr>
<tr>
<td>Roth IRA</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>457b (pre-tax)</td>
<td>No</td>
<td>Yes</td>
<td>Yes*</td>
<td>Yes</td>
</tr>
<tr>
<td>Qualified Plan</td>
<td>No</td>
<td>Yes</td>
<td>Yes*</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*any portion that would be taxable if distributed to the participant must be included in income.*

[Link to PensionFund.org](https://www.pensionfund.org)
The accounts maintained to manage and hold the assets of Pension Fund products and interests of such plans are not subject to registration, regulation, or reporting under the Investment Company Act of 1940, the Investment Advisers Act of 1940, the Securities Act of 1933, the Securities Exchange Act of 1934, Title 15 of the United States Code, or States Securities Law. Participants and beneficiaries in any and all accounts, therefore, will not be afforded the protections of those provisions.

Unlike federally insured bank deposits, deposits made into accounts held at Pension Fund are not insured or guaranteed by an agency of the United States Government (including FDIC), or any state of the United States.
APPENDICES
How we help You on the Road to Financial Wellness

**Employer-Sponsored Products**

- **Pension Plan***
  - Guarantees a monthly payment for life for you and your spouse
  - Allows Clergy to take housing allowance in retirement
  - Provides a death benefit for your spouse and children
  - Provides disability benefits should you become unable to work

- **Tax-Deferred Retirement Account**
  - Tax-advantaged 403(b) – contributions are made pre-tax through employer
  - Employer can choose to match employee contributions
  - Allows Clergy to take housing allowance in retirement
  - Rollovers from other accounts are permitted
  - Complements the Pension Plan in retirement income
  - 3.5% Base rate of return

**Individual Savings Products**

- **IRAs Traditional** & **Roth**
  - Traditional IRA (May be tax-deductible)
  - Roth IRA (Tax-Free Growth)
  - Spouses are eligible for both
  - 3.5% Base rate of return

- **Benefit Accumulation Account**
  - No contribution limits
  - Accessible when you need it
  - Spouses are eligible
  - 2.5% Base rate of return

Eligible for Special Apportionments* (additional credits) or Good Experience Credits** (additional interest)

www.pensionfund.org
PAY YOURSELF FIRST

PROBLEM:

At the end of the month, most people don't have anything left to save.

SOLUTION:

At the first of the month, before you pay anyone else, write a check to yourself for 10% of your income. Paying yourself first may be the single most important tool toward meeting your savings goals.

WWW.PENSIONFUND.ORG
## How to Save - Even When You Think You Can't

<table>
<thead>
<tr>
<th>Expense Item</th>
<th>Monthly Savings</th>
<th>1 Year</th>
<th>15 Years</th>
<th>30 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily Cup of Coffee</td>
<td>$50</td>
<td>$650</td>
<td>$9,750</td>
<td>$19,500</td>
</tr>
<tr>
<td>$2.50/ 5 days</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lunch 3x Week</td>
<td>$180</td>
<td>$2,340</td>
<td>$35,100</td>
<td>$70,200</td>
</tr>
<tr>
<td>$15/meal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weekly Family Dinner Out</td>
<td>$240</td>
<td>$3,120</td>
<td>$46,800</td>
<td>$93,600</td>
</tr>
<tr>
<td>$60/meal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Monthly amount based on 4 week month. Yearly amounts assume 52 weeks of contributions. Savings does not include any interest.*
INDIVIDUAL SAVINGS

BENEFIT ACCUMULATION ACCOUNT (AFTER-TAX SAVINGS)

- No limits for contributions
- Accessible when you need it
- Spouses are eligible
- Requires another Pension Fund account to open

Current interest rate of 2.5%. Plus eligible for additional interest through Good Experience Credits.

9% FOR 2018

WWW.PENSIONFUND.ORG
Benefit Accumulation After-Tax Savings Account
10 Year Historical Rates

Annualized Returns

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>20 Year</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returns</td>
<td>11.49%</td>
<td>6.54%</td>
<td>7.41%</td>
<td>5.53%</td>
<td>6.82%</td>
<td>8.66%</td>
</tr>
</tbody>
</table>

* Base rate listed is the average of the quarterly base rates for the year. Good Experience Credits listed in the year it was received in accounts. Annualized return includes compounding. Data above represents historical data and may not be indicative of future performance.
Benefit Accumulation After-Tax Savings Account
Investment of $1,000 over 10 Years

* Based on an initial investment of $1,000. Good Experience Credits listed in the year it was received in accounts. Annualized return includes compounding. Data above represents historical data and may not be indicative of future performance.
INDIVIDUAL SAVINGS

IRAs

- Traditional IRA (may be tax-deductible)
- Roth IRA (tax-free growth)
- Spouses are eligible

Current interest rate of 3.5%. Plus eligible for additional interest through Good Experience Credits.

5.5% FOR 2018
**Annualized Returns**

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>20 Year</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.09%</td>
<td>5.37%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4.92%</td>
</tr>
</tbody>
</table>

* Base rate listed is the average of the quarterly base rates for the year. Good Experience Credits listed in the year it was received in accounts. Annualized return includes compounding. Data above represents historical data and may not be indicative of future performance.
Cumulative Effect of Interest & GEC, Traditional IRA - Initial Investment of $1,000

* Based on an initial investment of $1,000. Good Experience Credits listed in the year it was received in accounts. Annualized return includes compounding. Data above represents historical data and may not be indicative of future performance.
# A LOOK AT PENSION PLAN SCENARIOS

Introducing Paul, a full-time employee making $40,000 per year.

<table>
<thead>
<tr>
<th>Estimated Pension</th>
<th>Annual Pension Estimate</th>
<th>Annual Pension Estimate with Special Apportionments</th>
</tr>
</thead>
<tbody>
<tr>
<td>$40,000 salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3% annual increase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 years</td>
<td>$ 6,863</td>
<td>$ 7,735</td>
</tr>
<tr>
<td>20 years</td>
<td>$ 16,086</td>
<td>$ 20,819</td>
</tr>
<tr>
<td>30 years</td>
<td>$ 28,481</td>
<td>$ 50,112</td>
</tr>
<tr>
<td>40 years</td>
<td>$ 45,138</td>
<td>$ 112,904</td>
</tr>
</tbody>
</table>

*Estimate based on history of participation at 14% each year and a yearly increase of 3% as of Jan. 1. It assumes active contributions for all years represented. Special Apportionments are based on historical performance and not a promise of future payment, only an estimate, rounded to nearest dollar.
## A LOOK AT PENSION PLAN SCENARIOS

Introducing Kendrick, a full-time employee making $80,000

<table>
<thead>
<tr>
<th>Estimated Pension</th>
<th>Annual Pension Estimate</th>
<th>Annual Pension Estimate with Special Apportionments</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,000 salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3% annual increase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 years</td>
<td>$13,725</td>
<td>$15,470</td>
</tr>
<tr>
<td>20 years</td>
<td>$32,171</td>
<td>$41,639</td>
</tr>
<tr>
<td>30 years</td>
<td>$56,961</td>
<td>$100,224</td>
</tr>
<tr>
<td>40 years</td>
<td>$90,276</td>
<td>$225,807</td>
</tr>
</tbody>
</table>

*Estimate based on history of participation at 14% each year and a yearly increase of 3% as of Jan. 1. It assumes active contributions for all years represented. Special Apportionments are based on historical performance and not a promise of future payment, only an estimate, rounded to nearest dollar.