



## Adoption Agreement for Lay Employee Participation in the United Methodist Personal Investment Plan (UMPIP) for Local Churches and Annual Conferences

### Part I – General Information Please print.

- 1.1 Name of plan sponsor \_\_\_\_\_
- 1.2 Organization type  Church  Conference Employer # \_\_\_\_\_
- 1.3 Federal employer identification # \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_
- 1.4 Plan sponsor mailing address \_\_\_\_\_  
\_\_\_\_\_
- 1.5 Plan sponsor telephone # ( \_\_\_\_\_ ) \_\_\_\_\_
- 1.6 Name and title of contact person(s) \_\_\_\_\_
- 1.7 Contact person(s) e-mail address \_\_\_\_\_
- 1.8 Name of annual conference \_\_\_\_\_

### Part 2 – Plan Sponsor Elections

*Plan provisions recommended by the 2004 General Conference are bolded and italicized.*

2.1 **Automatic Enrollment.** All participants may make before-tax and/or after-tax contributions to UMPIP. However, a plan sponsor may choose to automatically enroll participants who fail to return a *Before-Tax and After-Tax Contributions Agreement/Automatic Enrollment Notice* in which they otherwise enroll or decline to participate (choose one).

- No automatic enrollment
- Automatic enrollment at \_\_\_\_\_% (enter from 1% to 5%) of compensation on a before-tax basis

#### 2.2 Plan Sponsor Contributions

- No plan sponsor contribution; participant contributions only (Skip to Part 3)
- Plan sponsor contributions as specified in 2.3 through 2.8***

2.3 **Eligibility Requirements for Plan Sponsor Contributions.** Employees are eligible to make before-tax and/or after-tax contributions upon date of hire. An employee is eligible to receive plan sponsor contributions if he or she meets the following requirements (choose one option under each of subsection a, b, c, d and e):

##### a) Classification

- Permanent employees who meet eligibility requirements***
- All employees who meet eligibility requirements
- Other \_\_\_\_\_ (Specify. See instructions.)

##### b) Minimum Initial Eligibility Service

- No minimum months of service
- \_\_\_\_\_ (enter a number from 1 to 11) months of service
- 12 months of service***

**c) Hours of Service**

- No minimum hours of service
- Regularly scheduled to work at least 1,000 hours per year
- Regularly scheduled to work at least 1,040 hours per year*

**d) Minimum Age**

- No minimum age requirement
- Age \_\_\_\_\_ (enter a number from 18 to 20)
- Age 21*

**e) Disability**

- No plan sponsor contributions for participants on long-term disability
- Plan sponsor contributions continue for participants on long-term disability

**2.4 Entry Date for Plan Sponsor Contributions.** Provided a participant is still employed on that date, he or she will become eligible to receive plan sponsor contributions on the (choose one):

- First day of the month coinciding with or next following the date the employee meets the eligibility requirements in section 2.3
- Earlier of January 1 or July 1 coinciding with or next following the date the employee meets the eligibility requirements in section 2.3

**2.5 Type of Plan Sponsor Contributions.** The plan sponsor will make contributions to the plan according to one or more of the following formulas (indicate choice(s) below):

**Matching** (choose one):

- 50% of the participant's before-tax and/or after-tax contributions up to 6% of compensation (maximum match of 3% of compensation)
- 100% of the participant's before-tax and/or after-tax contributions up to 6% of compensation (maximum match of 6% of compensation)
- \_\_\_\_\_% (enter 1% or greater) of the participant's before-tax and/or after-tax contributions up to \_\_\_\_\_% (enter from 1% to 99%) of compensation.

**Non-Matching** (choose one):

- 3% of the participant's compensation, regardless of whether the participant contributes to the plan.*
- \_\_\_\_\_% (enter from 1% to 12%) of the participant's compensation, regardless of whether the participant contributes to the plan.

**Conditional**

\_\_\_\_\_ % (enter from 1% to 20%) of the participant's compensation provided the participant contributes \_\_\_\_\_ % (enter from 0% to 4%) of compensation as a before-tax or after-tax contribution (the required participant contribution percentage cannot exceed 50% of the plan sponsor's contribution percentage).

**Discretionary**

The plan sponsor reserves the right to make a contribution by June 15 for the prior calendar year for all eligible participants. The amount, if any, must be declared from year to year, by May 1 for the prior calendar year.

**2.6 Vesting Schedule.** Plan sponsor contributions will become vested according to the following vesting schedule (choose one):

- 100% immediate**
- 100% vesting after \_\_\_\_\_ (enter a number from 1 to 36) months of service
- 5-year graded (20% per year)

**2.7 Contribution Calculation Period.** The plan sponsor will calculate plan sponsor contributions to UMPIP based on the following frequency (choose one):

Matching

- By pay period
- Monthly

Non-matching

- By pay period
- Monthly

Conditional

- By pay period
- Monthly

Discretionary

Elect using *Discretionary Contribution Election* form

### Part 3 – Plan Sponsor Acknowledgements

By executing this adoption agreement, the plan sponsor hereby acknowledges, understands and agrees that:

- 3.1 Upon acceptance of this adoption agreement by the General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois (General Board), the employer will become a “Plan Sponsor” as defined in UMPIP.
- 3.2 The plan sponsor will comply with UMPIP, as amended periodically, and the rules, regulations and procedures promulgated by the General Board, or its successors.
- 3.3 If UMPIP is amended in accordance with its amendment provisions, the General Board may (but need not) require the plan sponsor to execute a new adoption agreement.
- 3.4 Both the General Board and the General Conference of The United Methodist Church have the right to terminate UMPIP, or a plan sponsor’s sponsorship of UMPIP, at any time in accordance with the UMPIP provisions.
- 3.5 The General Board has the right to terminate the plan sponsor’s adoption agreement if the plan sponsor fails to satisfy its responsibilities under UMPIP.
- 3.6 In the event of any discrepancies between this adoption agreement and the UMPIP plan document, the plan document will control.
- 3.7 The plan sponsor may terminate its sponsorship of UMPIP as of a specified date after giving at least 90 days advance written notice to the General Board and at least 30 days written notice to its participants of its intent to terminate.
- 3.8 The plan sponsor will enroll employees in UMPIP upon their satisfaction of the applicable eligibility requirements.
- 3.9 A plan sponsor that elects automatic enrollment will advise eligible participants 30 days before deducting participant contributions from their compensation to give them time to opt out.
- 3.10 The plan sponsor will maintain accurate records reflecting participant service and compensation.
- 3.11 The plan sponsor will provide statistical data relevant to plan administration to the General Board within a reasonable time period after a request from the General Board.
- 3.12 The plan sponsor will limit before-tax contributions to UMPIP to the annual dollar limit under Internal Revenue Code (Code) section 402(g), and total contributions to UMPIP to the lesser of the annual dollar limit under Code section 415 or 100% of Code section 415 compensation (generally taxable compensation plus before-tax salary deferrals, but not including housing allowance or parsonage.)
- 3.13 The plan sponsor will remit contributions to the General Board in a timely manner as required by UMPIP. Late contributions may require payment of investment earnings and fees as specified in UMPIP and applicable procedures.
- 3.14 The plan sponsor will notify the General Board of the termination of employment, retirement, disability, death or leave of absence of any participant as soon as possible but in no event later than 90 days following the event.

---

### Part 4 – Effective Date

- 4.1  Initial Agreement. The plan sponsor agrees to begin participating in UMPIP as of \_\_\_\_\_1, 20\_\_\_\_. (Date must be the first of a month but no earlier than January 1, 2006 and no earlier than January 1 of the current year.)
- 4.2  Amendment of Agreement. The plan sponsor may amend the terms of this adoption agreement no more than once every 12 months. Amendments to the plan should not decrease a participant’s account balance/vested interest or eliminate a protected optional form of distribution. The effective date of this amendment is \_\_\_\_\_1, 20\_\_\_\_ (Enter a date not prior to January 1 of the current year. Date must be the first of a month.)

**Part 5 – Adoption**

The instructions accompanying this adoption agreement are an integral part of the adoption agreement. Neither the adoption agreement nor the instructions supersede the plan document in case of conflict but are deemed to be a part of the plan document to the extent that there is no conflict.

The undersigned, on behalf of the plan sponsor named in section 1.1, hereby declares a desire to sponsor the United Methodist Personal Investment Plan (UMPIP) or continue sponsorship in an amended UMPIP (as reflected in this adoption agreement) and hereby certifies that the appropriate governing board and/or officers have authorized the plan sponsor’s sponsorship or continued sponsorship in UMPIP as of the effective date indicated in Part 4.

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Print name of signatory \_\_\_\_\_ Title \_\_\_\_\_

---

**Part 6 – General Board Signatures**

The General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois, hereby accepts this adoption agreement submitted by the employer named in section 1.1, and accepts that employer as one of the adopters and plan sponsors of UMPIP as of the effective date noted in Part 4.

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_