

COVENANT PENSION PLAN
(As Amended and Restated Effective as of January 1, 2014)

ARTICLE I
Definitions

Section 1.1. **Definitions.** Where the following words and phrases appear in this Plan, they shall have the respective meanings set forth below, unless their context clearly indicates to the contrary.

a) **Accrued Benefit:** The monthly Pension payable to a Participant at his/her Normal Retirement Date in the form of a single life annuity.

b) **Actuarial Equivalent.** The term “Actuarial Equivalent” means a benefit of equal value under different terms of payment, as computed in accordance with actuarial assumptions recommended by the actuary to be approved by the Board. These assumptions may be changed from time to time because of mortality studies and economic conditions which pertain to the United States as a whole at that time, or as may be localized because of special local conditions. These assumptions are to be used uniformly to ensure equal treatment of all participants at the time their Pensions commence under the Plan, providing a stable basis which is nondiscriminatory in operation so that the employer’s costs will not increase because of volatility of interest rates.

(1) **Interest Rate Assumptions.** The basis to be used at the time of calculation may be found below in the table. Currently the basis for conversion from a single life annuity to any other optional form of distribution is set as the Unisex Pension 1984 table with a six percent (6%) interest per annum compounded annually.

<u>PBGC Immediate Annuity Rate</u>	<u>Interest Rate</u>
Not more than 4 percent	3 percent
Over 4 percent but not more than 5 percent	4 percent
Over 5 percent but not more than 7 percent	5 percent
Over 7 percent but not more than 12 percent	6 percent
Over 12 percent but not more than 14 percent	7 percent
Over 14 percent but not more than 18 percent	8 percent
Over 18 percent	9 percent

(2) **Mortality Assumptions.** The mortality table is to be the underlying table used for Pension Benefit Guaranty Corporation (PBGC) calculations at the time conversion is effective, unless this basis is no longer a unisex table. In the latter case, the prevailing unisex table is to be used.

In the case of a lump-sum equivalent, the lump-sum amount will be calculated using the amount needed to purchase an annuity for a single life annuity beginning on the Participant’s Normal Retirement Date or later date, as applicable. This amount will be the amount calculated from the

unisex table that is the basis of the single premium immediate annuity rates of the Pension Benefit Guaranty Corporation (PBGC). This amount will be converted to a present value as necessary for a deferred benefit due to begin at the Participant's Normal Retirement Date by discounting according to the plan termination assumptions named in the announcements made by the PBGC for the date involved.

c) **Benefit Commencement Date:** This means the date on which the payment of a Participant's Accrued Benefit commences.

d) **Board:** The Board of Pensions and Benefits of The Evangelical Covenant Church.

e) **Break in Service:** "Break in Service" means the sum of the number of consecutive Plan Years under this Plan during which a Participant fails to complete more than five hundred one (501) Hours of Service during each such Plan Year.

f) **Code:** Code means the Internal Revenue Code of 1986, as from time to time amended. Reference to any section of the Code includes any regulations or rulings issued under that section.

g) **Considered Compensation:** Considered Compensation shall include annual base salary and any other income from an Employer, including housing and utility allowances, if any, and differential pay (but only to the extent required to be included as provided under the Heroes Earnings Assistance and Relief Act of 2008). Where a parsonage is provided, base salary for purposes of this calculation shall be increased by thirty-three percent (33%) or \$4,200, whichever is greater. In no event shall Considered Compensation for any one participant be reported as less than \$9,000 a year. In addition, Considered Compensation for any Participant in any Plan Year shall not exceed the limitations under Code Section 401(a)(17).

If a Participant has a "Termination of Employment" (as defined in Treasury Regulations under Code Section 415) with an Employer, Considered Compensation does not include amounts received by the Participant following such severance from employment, except to the extent that such amounts are paid before the later of: (i) the close of the Plan Year in which the Participant's employment terminates or (ii) within 2½ months of such severance if such amounts:

(1) Would otherwise have been paid to the Participant in the course of his/her employment and are regular compensation for services during the Participant's regular working hours, compensation for services outside the Participant's regular working hours (such as overtime or shift differential pay), commissions, or other similar compensation; or

(2) Are payments for accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use such leave if his/her employment had continued and such amounts would have been includable in Considered Compensation if his/her employment had continued.

h) **Contributions:** The term "Contributions" shall mean the money paid to the Trust Fund by the Employers.

i) **Covered Employment:** The term "Covered Employment" means the term of a Participant's employment with respect to which Employers are required or permitted to make

Contributions to the Trust Fund. The Board shall have the power to waive this payment in cases of bankruptcy, receivership, or assignment for benefit of creditors, in which case that period shall still constitute Covered Employment.

j) **Disability**: A physical or mental condition which, in the judgment of the Board, totally and permanently prevents a Participant from engaging in any substantial full-time gainful employment. Disability under the Plan shall be considered total and permanent if, on the basis of a medical examination by a doctor or clinic appointed by the Board, the Board finds that the Participant has a physical or mental condition which totally and presumably permanently prevents the Participant from engaging in any substantial gainful employment and such condition has existed for at least six (6) months. The Board shall, however, have the right to waive the requirement for a medical examination if it determines that such an examination is unnecessary. Disability shall be considered to have ended if, prior to Normal Retirement Date, the Participant:

(1) Engages in a substantial gainful employment, except for such employment as is found by the Board to be for the primary purpose of rehabilitation or not incompatible with a finding of total and permanent disability; or

(2) Has sufficiently recovered, in the opinion of the Board based on a medical examination by a doctor or clinic appointed by the Board, to be able to engage in regular employment with the Employer and refuses an offer of employment by the Employer; or

(3) Refuses to undergo any medical examination requested by the Board, provided that a medical examination shall not be required more frequently than twice in any calendar year.

k) **Early Retirement Date**: The first day of the month coinciding with or next following the Vested Participant's sixty-second (62nd) birthday.

l) **Effective Date**: The Effective Date of the Plan shall be January 1, 2014, the date of this amendment and restatement.

m) **Employer**: The Evangelical Covenant Church, hereinafter referred to as the Covenant; any regional conference of the Covenant; any church which is a member of the Covenant; and any institution, school, or other entity approved by the Board of Pensions and Benefits as an Employer to be included in this Plan. As of the Effective Date, the current list of Employers is attached as **Appendix A** and it may be amended by the Plan Administrator from time to time to reflect periodic changes in the Employers

n) **Hour of Service**: The term "Hour of Service" shall mean:

(1) With respect to any hour worked prior to May 1, 1976, each hour paid in Covered Employment, in accordance with the terms and provisions of this Plan as constituted prior to July 1, 1976;

(2) With respect to any hour worked on or after May 1, 1976, each hour shall be computed and credited in accordance with DOL Regs. 2530.200(b) and (c), for which a Participant is directly or indirectly paid, or is entitled to payment, by an Employer for:

(i) The performance of duties pursuant to any employment agreement or “Call”;

(ii) A period during which no duties are performed due to vacation, holiday, illness, incapacity, lay-off, military service in time of declared national emergency, leave of absence, jury duty or other like events; and

(iii) A period for which back pay is awarded or agreed to by an Employer, provided any such hour has not already been included in (i) or (ii) above.

o) **Investment Manager**: Any fiduciary other than a member of the Board of Pensions and Benefits or a named fiduciary, who:

(1) Has the power to manage, acquire or dispose of any asset of the Plan,

(2) Is registered as an investment advisor under the Investment Advisors Act of 1940 (the “**Act**”), is a bank as defined in that Act or as an insurance company licensed in more than one state to perform investment managing services, and

(3) Has acknowledged in writing that he/she or it is a fiduciary with respect to the Plan.

p) **Mandatory Participant**: Covenant ministers employed by an Employer who:

(1) Hold the Ministry License;

(2) Hold the Consecrated Missionary credential;

(3) Are ordained to Word and Sacrament;

(4) Are ordained to Word and Service; or

(5) Are commissioned and are serving in the denomination, in one of its conferences, or in Covenant churches,

are required to participate in the Plan.

q) **Member**: An individual elected to the Board of Pensions and Benefits.

r) **Normal Retirement Age**: The Participant’s Normal Retirement Age is sixty-five (65).

s) **Normal Retirement Date**: The Participant’s Normal Retirement Date is the first day of the month coincident with or immediately following the attainment of Normal Retirement Age.

t) **Participant**: Participant means either a Mandatory Participant or Voluntary Participant, as the case may be, unless otherwise indicated.

u) **Pension**: A series of monthly amounts that are payable to a person who is entitled to receive benefits under the Plan.

- v) **Plan**: This Covenant Pension Plan, as amended from time to time.
- w) **Plan Administrator**. The Plan Administrator is the Board of Pensions and Benefits of The Evangelical Covenant Church, which is delegated such administrative responsibilities in accordance with Section 8.1.
- x) **Plan Year**: Plan Year means the accounting year of the Plan, which ends on December 31st of each year.
- y) **Service**: A year of Service shall be earned by a Participant who has earned or worked one thousand (1,000) Hours of Service within a Plan Year beginning with the Plan Year which includes the first anniversary of the Participant's employment commencement date. The total Service of the Participant shall not include any years of Break In Service. However, Service shall incorporate the following:
- (1) A period (credited at the rate of forty (40) hours per week for each full week) with respect to which Workmen's Compensation Disability benefits are payable, or which constituted a valid waiting period for such benefits, and for Disability; *provided, however*, not more than an aggregate of three (3) years of future Service credit shall be given for such absences during a Participant's career. In order for a Participant to receive such Service credit under this subparagraph, the Participant must make written application therefore to the Board within one (1) year from the date he/she becomes so disabled, and further provided that no more than forty (40) hours per week may be credited under this provision. The plan administrator may require certification under reasonable and uniform rules to establish the basis of the absence under this provision; and
- (2) A period of absence if such Participant is absent from work by reason of (1) pregnancy of the Participant, (2) birth of a child of the Participant, (3) placement of a child with the Participant in connection with an adoption, or (4) caring for a child described in (2) or (3) immediately following such birth or placement. The Hours of Service granted will prevent the Participant from suffering a Break In Service. All the hours shall be credited under this subparagraph in the year the absence begins only if it is necessary to prevent a Break in Service in that year. Otherwise all the Hours of Service shall be credited in the following years. The number of Hours of Service credited shall equal the minimum number necessary to prevent a one-year Break in Service in the Plan Year in which these Hours of Service are credited.
- z) **Spouse**: "Spouse" means an individual to whom the Participant is legally married. Effective as of September 16, 2013, a Spouse includes, but is not limited to, a person of the same sex as the Participant, provided the couple was legally married in a jurisdiction that authorizes same-sex marriage (even if the couple resides in a jurisdiction that does not recognize same-sex marriage).
- aa) **Trustees**: "Trustees" mean the persons with fiduciary responsibility for the Trust Fund and any successors thereto.
- bb) **Trust Fund**: The pension fund forming a part of the Plan and known as the Covenant Pension Trust, established to receive and invest Contributions of the Employers and from which the benefits are paid.

cc) **Vested Participant:** A “Vested Participant” is a Participant who meets at least one of the following criteria:

- (1) Any Participant with at least five (5) years of Service earned after January 1, 1986;
- (2) Any Participant active on January 1, 1986, with at least five (5) years of Service earned any time;
- (3) Any Participant with at least ten (10) years of Service earned after January 1, 1972;
- (4) Any Participant active on January 1, 1972, with at least ten (10) years of Service earned any time;
- (5) Any Participant with at least twenty-five (25) years of Service earned any time; or
- (6) Any Participant who attains the age of sixty-five (65) while engaged in Covered Employment by an Employer required to make Contributions to the Plan.

Notwithstanding the foregoing, if a Participant’s employment with an Employer terminates due to death while performing qualified military service, as defined in the Heroes Earnings Assistance and Relief Tax Act of 2008, on or after January 1, 2007, such Participant (or, in the case of death, his or her beneficiary) shall be fully vested and entitled to receive his or her entire Accrued Benefit.

dd) **Voluntary Participant:**

- (1) A minister who has standing with the Covenant Ministerium, and who is employed full-time by a Covenant or regional conference institution, or other approved employers; and
- (2) A minister who is not a Mandatory Participant, but who is an associate member of the Covenant Ministerium employed full time who makes an election to participate with the consent of an Employer included in the plan.

Section 1.2. **Construction.** The words “hereof,” “herein,” “hereunder,” and other similar compounds of the word “here” shall mean and refer to the entire Plan, not to any particular provision or section.

ARTICLE II **Participation**

Section 2.1. **Service for Eligibility.** Service for purposes of eligibility under the Plan shall include the first Hour of Service for which a contributing Employer is required to contribute to the Trust Fund on the Participant’s behalf. The initial eligibility computation period will be a 12-consecutive month period beginning with the Participant’s employment commencement date. Each succeeding computation period will begin with the Plan Year which includes the first anniversary of the Participant’s employment commencement date. The Participant shall become eligible to

participate in the Plan after completing one thousand (1,000) Hours of Service during the initial eligibility computation period or during a succeeding Plan Year.

Section 2.2. **Entry as a Participant.** The Participant becomes eligible to participate on the first day of the month coincident with or immediately following the 1,000th Hour of Service for which a contributing Employer is required to contribute to the Trust Fund on the Participant's behalf.

Section 2.3. **Reemployment.** An individual who is vested or was a non vested Participant in this Plan whose prior Service cannot be disregarded under Code Section 410(a)(5), who is re-employed after a Break in Service, will participate immediately on his or her first Hour of Service after his/her reemployment for which a contributing Employer is required to contribute to the Trust Fund on the Participant's behalf.

Section 2.4. **Uniformed Services Employment And Re-Employment Rights.** Notwithstanding any provisions of this Plan to the contrary, Contribution, benefits and Service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

ARTICLE III **Funding**

Section 3.1. **Payments By The Employer.** The Employer shall make funding payments to the Plan equal to twelve and one-half percent (12.5%) of the Considered Compensation for each Participant. The payments shall be made quarterly on March 31, June 30, September 30, and December 31 of each Plan Year. If the Employer is ninety (90) days or more in arrears, the Board shall assess an interest charge on the unpaid quarterly sums. No Participant shall be entitled to credit for Service for the period during which the Employer has failed to make the required payments until the installments and all interest payments have been brought current.

Section 3.2. **Minimum Payment.** If the Employer has a covered Participant for a full calendar year, payment shall not be less than that required by the minimum annual Considered Compensation. If the Employer does not have a covered Participant for a full calendar year, the minimum payment to the fund shall not be less than \$100.

ARTICLE IV **Requirements for Retirement Benefits**

Section 4.1. **Normal Retirement.** A Vested Participant shall be eligible for a Pension on or after the Participant's sixty-fifth (65th) birthday. The Pension will be calculated from the Considered Compensation used to pay into the Trust Fund as of the Participant's sixty-fifth (65th) birthday. If the Participant chooses to continue fulltime work, he/she shall have his/her Employer continue to pay into the Plan. At retirement from any other subsequent Employer, his/her Pension will be recalculated and paid at the recalculated amount thereafter; however, the Pension will not be recalculated more often than annually. This provision shall apply only to those Participants retiring at or subsequent to age sixty-five (65) and shall not apply to those individuals retiring under the provision for early retirement, Disability, or any other provisions of the plan. Subject to Section 4.7 below, payment of a Pension shall commence as of the first day of the month, following the date of

retirement and submission by the Participant of a properly completed application for Pension benefits.

Section 4.2. **Disability Retirement.** A Vested Participant, who has a Disability pursuant to the terms of the Plan, shall be eligible for a Pension at his/her Normal Retirement Date or Early Retirement Date. Said Disability Pension shall be calculated in accordance with Section 5.2 below. For those years in which the Participant is disabled prior to his/her Normal Retirement Date and with respect to which he/she is entitled to an additional accrual pursuant to Section 5.2(b) below, the disabled Participant shall be deemed, for purposes of Section 5.2, to continue to receive Considered Compensation for the period during which he or she is a disabled Participant (but in no event for periods after the earliest of the Participant's Normal Retirement Date, death or the date he or she ceases to be a disabled Participant), based on the rate of Considered Compensation earned by the Participant immediately preceding his/her determination of Disability.

Section 4.3. **Deferred Vested Retirement.** Each Vested Participant whose Service is broken after the Effective Date of the Plan, and prior to his/her Early Retirement Date or Normal Retirement Date, shall be eligible to receive a vested deferred Pension, commencing upon attainment of his/her Normal Retirement Date, or at the Early Retirement Date provided the Participant is vested (i.e., has five (5) years of Service). A deferred vested Participant who is vested pursuant to the Plan shall be eligible for an early retirement Pension on or after attainment of age sixty-two (62). The amount of the early retirement Pension shall be calculated by reducing the Participant's normal retirement Pension by one half of one percent ($\frac{1}{2}\%$) for each month the Participant's retirement precedes the Participant's attainment of age sixty-five (65).

Section 4.4. **Early Retirement.** A Participant who is vested pursuant to the Plan shall be eligible for an early retirement Pension on or after attainment of age sixty-two (62). The amount of the early retirement Pension shall be calculated by reducing the Participant's normal retirement Pension by one half of one percent ($\frac{1}{2}\%$) for each month the Participant's retirement precedes the Participant's attainment of age sixty-five (65).

Section 4.5. **Reemployment After Retirement.** In the event a retired Participant returns to work for an Employer, his/her Pension shall continue to be paid during said period of reemployment at the same level in effect at the date of his/her initial retirement, or the current minimum Pension, whichever is applicable. Notwithstanding the foregoing, the reemployed retired Participant shall be eligible to accrue additional benefits under the Plan from his/her re-employment commencement date through his/her subsequent retirement date (the "**Subsequent Period of Employment**"); *provided, however*, such additional benefit accrued during the Subsequent Period of Employment will be factored in and his/her Pension recomputed under Section 5.1 as of the Participant's subsequent retirement date. Any such increased, recomputed Pension amount shall then be payable to such Participant at the higher Pension amount starting with his/her subsequent retirement date. Notwithstanding anything to the contrary, the Employer who employs a retired Participant shall be required to make Contributions to the Trust Fund under Section 3.1 of the Plan for that particular re-employed retired Participant during the Subsequent Period of Employment.

Section 4.6. **Commencement Of Benefits.** Payment of any Pension provided for by this Plan shall commence as of the latter of the date of early, normal, or disability retirement and receipt of a properly completed application.

Section 4.7. **Mandatory Distribution Date.** Payment of any Participant's Pension is required to commence no later than the April 1 of the calendar year next following the later of the calendar year in which the Participant attains 70½ years of age or the calendar year in which the Participant retires. The Plan Administrator (or its delegate) shall establish annual procedures to notify Participants impacted by this Section that they are required to commence distribution from the Plan or be subject to possible excise taxes. Notwithstanding any other provision of the Plan to the contrary, all distributions hereunder shall be made in accordance with the final and temporary Treasury Regulations under Section 401(a)(9) of the Internal Revenue Code that were issued on April 17, 2002. The date as of which the Participant receives his/her Pension pursuant to this Section shall be the Participant's Benefit Commencement Date.

Section 4.8. **Termination Of Benefits.** The last payment to a Participant or a surviving Spouse, whichever is later, shall be made as of the first day of the month in which death occurs.

ARTICLE V

Amount of Retirement Benefit

Section 5.1. Normal Pension.

a) **General Rule.** A Participant who meets the requirements for a normal Pension under Section 4.1 above shall receive a monthly amount equal to one-twelfth (1/12) of one and one-half percent (1½%) of the Participant's aggregate Considered Compensation across all Plan Years in which he/she was a Participant with Service. For Participants who were Participants in the following time periods, he/she shall be credited with the following Considered Compensation as follows:

(i) \$3,200 for each year of Service prior to January 1, 1972;

(ii) \$6,400 for each year of Service from January 1, 1972 to December 31, 1973; and

(iii) Considered compensation received from January 1, 1974 for which the Employer has made payments to the Trust Fund based on such Considered Compensation.

b) **Minimum Pension.** Upon a Participant's Normal Retirement Date, a minimum Pension of nine hundred eighty-nine dollars (\$989.00) per month will be provided for all Vested Participants with twenty-five (25) years or more of Service. This minimum Pension will be reduced by 1/25th for each year of Service less than twenty-five (25). Upon a Participant taking an early retirement Pension (under Section 5.4 below) or upon election of the Optional Surviving Spouse Benefit (under Section 5.5 below), the minimum Pension set forth above will be reduced in accordance with the applicable rule for early commencement (under Section 4.4 above) or reduction for two lives (under Section 5.5 below) in addition to the reduction, if any, made above because the Participant has less than twenty-five (25) years of Service at his/her retirement. Notwithstanding the foregoing, the minimum Pension for a surviving Spouse shall be seventy-five percent (75%) of the amount received by the Participant (i.e., assuming entitlement to the full \$989.00/month, the surviving Spouse portion would be \$742.00/month or 75% of \$989.00/month).

c) **Maximum Pension.** The annual Pension payable to a Participant under this Plan equal to a single life annuity shall not exceed one hundred percent (100%) of the Participant's average annual Considered Compensation for the three (3) consecutive calendar years in which he or she had the greatest Considered Compensation. In addition, such single life annuity will not exceed the allowable Code Section 415 limits, which are hereby incorporated by reference, and his/her Accrued Benefit under this Plan will be reduced to the extent necessary to correct any such violation. The dollar limitation on a Participant's Accrued Benefit, determined in accordance with Code Section 415(b), will be increased as of the first day of each Plan Year after his/her termination of employment to the extent permitted by the regulations issued under Code Section 415.

d) **Pension Increases.** Notwithstanding the other provisions of this Section 5.1, Pensions for retired Participants and accumulated Considered Compensation for other Participants was increased on July 1, 1986 by twelve and one-half percent (12½%) and on July 1, 1989 by fifteen percent (15%). Effective July 1, 1992, Pensions on December 1, 1991 for retired participants was increased in an amount not to exceed \$170 per month as follows:

(i) A percentage that is the lesser of twenty-five (25) or years of Service *MINUS* ten, and then,

(ii) \$4.00 per month for each year of Service in excess of twenty (20).

Effective July 1, 1992, Considered Compensation for all other Participants was increased by an amount not to exceed \$136,000 (\$170 per month divided by .00125) as follows:

(i) A percentage that is the lesser of twenty-five (25) or years of Service *MINUS* ten, and then,

(ii) \$3,600 for each year of Service in excess of twenty (20).

Pension for retired participants and accumulated Considered Compensation for other Participants was increased on January 1, 1996 by three percent (3%), on January 1, 1997 by three percent (3%), on January 1, 1998 by three percent (3%), on January 1, 1999 by three percent (3%), on January 1, 2000 by three percent (3%), on January 1, 2001 by three percent (3%), on April 1, 2007 by six percent (6%), and on January 1, 2008 by six percent (6%).

Section 5.2. **Disability Pension.** A Participant who meets the requirements for a Disability Pension shall receive a monthly amount equal to the sum of:

a) For periods of Service not including any Disability period, an amount as provided for under Section 5.1 above; *PLUS*

b) For any period of Disability prior to the Participant's Normal Retirement Date, an amount as provided for under Section 5.1 above which assumes a Considered Compensation level as provided for in Section 4.2 above.

In no event shall any period of Service count for both purposes of paragraphs (a) above and for purposes of paragraph (b) above.

Section 5.3. **Deferred Pension.** A Participant who meets the requirement for a deferred vested Pension shall receive a monthly amount which shall be determined in accordance with the provisions of Section 5.1 above.

Section 5.4. **Early Pension.** A Participant who meets the requirements for early retirement as defined in Section 4.4 above, shall have the Pension determined in accordance with the provisions of Section 5.1 above reduced by a half of one percent ($\frac{1}{2}\%$) for each month by which his/her early retirement precedes his/her Normal Retirement Date.

Section 5.5. **Optional Surviving Spouse Benefit.** A Participant may elect to receive a reduced Pension payable monthly during the Participant's lifetime, with payments to continue after death in the same amount or a percentage thereof, to a Spouse as designated by the Participant (the "**Optional Surviving Spouse Benefit**"). Such election shall be made by written notice to the Board of Pensions and Benefits not less than two (2) years prior to his/her Normal Retirement Date or Early Retirement Date; *provided, however*, if the election is not made within the above time limits, such election may, nevertheless, be made at any time prior to the Participant's first actual retirement date or Early Retirement Date, provided the Participant furnishes the Board of Pensions and Benefits with satisfactory evidence of good health. The reduced Pension shall be the Actuarial Equivalent of the Pension the Participant would receive at his/her Normal Retirement Date or Early Retirement Date, computed in accordance with Section 5.1 above. Pension payments under Section 5.1 above shall terminate with the monthly payment coinciding with or next preceding the death of the survivor of the Participant and the Spouse. Notwithstanding the foregoing, if the Participant elects this option and dies before his/her Normal Retirement Date or Early Retirement Date, the election shall be void and the Pension payable shall be determined under Section 6.1 of the Plan. If the Spouse dies before the Participant's actual retirement date, the election of this option shall be void, and the Participant's Pension shall be payable as if such election had not been made. If the Participant dies after his/her Normal Retirement Date but prior to actual retirement, the Pension payable to the Spouse under this option shall commence on the first day of the month coinciding with or next following the date of death of the Participant.

The election of this option may be rescinded by the Participant at any time prior to his/her Benefit Commencement Date.

ARTICLE VI **Other Benefits**

Section 6.1. **Automatic Spouse's Benefit.** Upon the death of an active or retired Participant, who has not made an election pursuant to Section 5.5, the Participant's surviving Spouse shall be entitled to a survivor's Pension on the first day of the month following the Participant's death if the Participant was either eligible to receive a Pension or was receiving a Pension. In the event the Participant had not attained Normal Retirement Age at the time of the Participant's death, the surviving Spouse shall be entitled to a survivor's Pension commencing the first day of the month following the Participant's death. However, the Participant's surviving Spouse shall not be entitled to a Pension under this provision, unless the surviving Spouse was married to the Participant for at least five (5) years prior to the Participant's death. The surviving Spouse of a missionary shall receive only a surviving Spouse's Pension, unless the surviving Spouse remains on active duty or returns to active duty and qualifies for a full Pension.

The Pension payable to the surviving Spouse shall be a monthly amount equal to sixty-five percent (65%) of the monthly amount of Pension which the Participant was receiving, if retired, or would have been entitled to receive if the Participant had retired on the day preceding the Participant's death, assuming the Participant was then eligible for a Pension. The last payment to a surviving Spouse shall be made as of the beginning of the month in which surviving Spouse's death occurs. The Pension of retirees who had previously selected survivor benefits in excess of fifty percent (50%) will be adjusted prospectively, pursuant to a determination by the Board of Pensions and Benefits' actuary.

ARTICLE VII

Non-Assignability of Pension Benefits

Section 7.1. **Nonalienability.** No Participant shall have the right or power to assign, alienate, transfer, sell, hypothecate, mortgage, pledge, commute or in any way anticipate the payment of Pension; no Pension shall be in any way subject to any legal process of any kind or liable in any way for the payment of any Participant's debts, except to the extent that the Board is directed by a qualified domestic relations order, or the Board may withhold payments or portions of payments to correct mistakes, errors, overpayment, payment, etc., any attempted assignment whether voluntary or by operation of law shall be void; and payments shall be made only to the pensioner in person or upon personal receipt except as herein otherwise provided.

In the event of the division of any Pension benefit there shall be no change in any life contingency that may have been involved in the establishment of the initial benefit, and accordingly, all Pension payments may terminate on the death of the Participant, or Spouse, or former Spouse, as the case may be. Upon the division of a benefit, if either of the parties remarries, the surviving Spouse's benefits as defined by Article VI shall apply.

Section 7.2. **Qualified Domestic Relations Orders.**

a) **General Rule.** Section 7.1 shall apply to the creation, assignment or recognition of a right to any benefit payable with respect to a participant pursuant to a Domestic Relations Order unless such order is determined to be a Qualified Domestic Relations Order. Benefits shall be provided in accordance with the applicable requirements of any Qualified Domestic Relations Order.

b) **Definitions.**

(1) The term "**Qualified Domestic Relations Order**" means a domestic relations order:

(i) Which creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable with respect to a Participant under this Plan, and

(ii) With respect to which the requirements of paragraphs (c) and (d) are met.

(2) The term “**Domestic Relations Order**” means any judgment, decree or order (including approval of a property settlement agreement) which:

(i) Related to the provision of child support, alimony payments, or marital property rights to a spouse, child or other dependent of a participant, and

(ii) Is made pursuant to a state domestic relations law (including a community property law).

(3) For purposes of this section, the term “**earliest retirement age**” means the earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.

(4) The term “**alternate payee**” means any Spouse or former Spouse of a Participant who is recognized by a Domestic Relations Order as having a right to receive all or a portion of, the benefits payable under the plan with respect to such Participant.

c) **Requirements.** A Domestic Relations Order must clearly specify:

(1) The name and last known mailing address (if any) of the Participant and the name and mailing address of each alternate payee covered by the order;

(2) The amount or percentage of the Participant’s benefits to be paid by the Plan to each such alternate payee, or the manner in which such amount or percentage is to be determined;

(3) The number of payments or period to which such order applies; and

(4) Each plan to which such order applies.

d) **Prohibitions.** A Domestic Relations Order:

(1) Cannot require the Plan to provide any type or form of benefit, or any option, not otherwise provided for under the Plan;

(2) Cannot require the Plan to provide increased benefits (determined on the basis of actuarial value), and

(3) Cannot require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another previously issued order determined to be a Qualified Domestic Relations Order.

e) **Former Spouses.** To the extent provided in any Qualified Domestic Relations Order:

(1) The former Spouse of a Participant shall be treated as a surviving Spouse of such Participant for purposes of Plan, and

(2) If married for at least one (1) year, the former Spouse shall be treated as meeting the requirements of the Plan.

f) **Procedures.** In the event a Domestic Relations Order is received by the plan:

(1) The Plan Administrator shall promptly notify the Participant and any other alternate payee of the receipt of such order and the Plan's procedures for determining the qualified status of Domestic Relations Orders:

(2) Within a reasonable period after receipt of such order, the Plan Administrator shall determine whether such order is a Qualified Domestic Relations Order and notify the Participant and each alternate payee of such determination;

(3) Reasonable procedures shall be established to determine the qualified status of Domestic Relations Orders and to administer distributions under such qualified orders. Such procedures:

(i) Shall be in writing;

(ii) Shall provide for the notification of each person specified in a Domestic Relations Order as entitled to payment of benefits under the Plan (at the address included in such Domestic Relations Order) of such procedures promptly upon receipt by the Plan of such Domestic Relations Order; and,

(iii) Shall permit an alternate payee to designate a representative for receipt of copies of notices that are sent to the alternate payee with respect to a Domestic Relations Order;

(4) A person who is an alternate payee under a Qualified Domestic Relations Order shall be considered a beneficiary under the Plan.

ARTICLE VIII **Administration**

Section 8.1. **Election Of The Board.** The Plan shall be administered by the Board of Pensions and Benefits. The Board of Pensions and Benefits shall be elected by the Annual Meeting of the Covenant in accordance with the Bylaws of the Covenant. The members of the Board shall not receive compensation with respect to their services.

Section 8.2. **Officers Of The Board.** At the meeting immediately prior to each Annual Meeting of the Covenant, selection shall be made from their numbers of a chairperson, and also, except as otherwise provided, of such other officers as they may determine. The chairperson shall serve without compensation, shall preside at all meetings, and shall perform such other duties as may be prescribed. The director of pensions shall be the principal administrative officer of the Plan. In such capacity, the director of pensions shall administer the Covenant Pension Plan. The director of pensions shall also solicit contributions, gifts, and bequests to the Plan.

Section 8.3. **Meetings Of The Board**. Regular meetings of the Board shall be set twice a year. Special meetings may be called by the director, or by the chairperson of the Board, or by the president of the Covenant, and must be called upon written request of any two members addressed to the chairperson or the director of pensions. Five elected members shall constitute a quorum at any meeting. Notice of the time and place of all meetings shall be mailed to the members of the Board at least ten days before each meeting.

Section 8.4. **Board Powers And Duties**. The Board shall have such powers as may be necessary to discharge its duties hereunder, including, but not by way of limitation, the following powers and duties:

- a) To construe and interpret the Plan, decide all questions of eligibility, and determine the amount, manner, and time of payment of any benefits hereunder;
- b) To prescribe procedures to be followed by Participants in filing applications for benefits;
- c) To make a determination as to the right of any person to a benefit and to afford any person dissatisfied with such determination the right to hearing thereon;
- d) To receive from the Employers and from the Participants such information as shall be necessary for the proper administration of the Plan;
- e) To prepare and distribute, in such manner as the Board determines to be appropriate, information explaining the Plan;
- f) To furnish to Employers, upon request, such annual reports with respect to the administration of the Plan as are reasonable and appropriate;
- g) To receive and review actuarial valuations of the Plan made by the actuary selected by the Board;
- h) To receive and review reports of the financial condition of the Plan and of the receipts and disbursements of the Plan;
- i) To develop general investment guidelines, including the desired asset mix, and the amount of assets to be allocated to individual investment managers;
- j) To set standards of performance and measuring devices for valuation and monitoring of investment performance;
- k) To select qualified Investment Managers who are registered as Investment Advisors under the Investment Advisors Act of 1940; a bank as defined in that Act; or an insurance company licensed in more than one state to perform Investment Managing Services;
- l) To invest the assets of the Trust Fund in bonds, notes, debentures, mortgages, equipment trust certificates, investment trust certificates, preferred or common stocks, or in such other property, real or personal, either within or without the United States as the

investment manager(s) may deem advisable, without being limited by any statute or rule of law regarding type, amount, proportions or diversification of investment;

m) To appoint one or more Trustees to hold the assets of the Trust Fund as custodian. The Trustees shall serve at the pleasure of the Board, and shall have such rights, powers and duties as the Board shall from time to time determine, consistent with the applicable laws;

n) The Board of Pensions and Benefits shall appoint or elect a treasurer;

o) The Board of Pensions and Benefits shall appoint or elect a secretary; and

p) The Board of Pensions and Benefits shall cause an annual audit to be made of the Pension Plan and the Pension Trust Fund.

Section 8.5. **Rules And Decisions.** The Board may adopt such rules and actuarial tables as it deems advisable and may employ such agents, attorneys, actuaries, or clerical assistants as it deems necessary. All rules and decisions of the Board shall be uniformly and consistently applied to all participants in similar circumstances. Any rule or decision which is not inconsistent with the provisions of the Plan shall be conclusive and binding upon all persons. When making a determination or calculation, the Board shall be entitled to rely upon the information and advice furnished by the Covenant, legal counsel, the actuary for the Plan, and/or such other consultants and advisors retained by the Board.

ARTICLE IX

Duty to Furnish Information

Section 9.1. **Information Furnished.** Each Participant shall furnish to the Board any information or proof requested by it and reasonably required to administer this Plan. Failure on the part of any such person to comply with such request promptly and in good faith shall be sufficient grounds for denying or suspending Pension payments to such person until such information or proof has been submitted and found satisfactory. If any Participant willfully makes a false statement material to a claim for a Pension, the Participant shall be entitled only to such payments and amounts or payment based on true and correct information, and the Board shall have the right to recover any overpayments made in reliance on such false statements.

Section 9.2. **Benefits Paid From Fund.** All benefits provided by the Plan shall be paid from the Trust Fund to which Employers shall contribute in accordance with the terms of the Plan.

Section 9.3. **Changes In Amounts Of Benefits.** An actuarial valuation may be ordered by the Board. The actuary shall make such actuarial valuation of the fund for the purposes of determining the amounts of Pensions which the Trust Fund will support. After completing the valuation, the actuary shall prepare a report for the Board including any recommendations for changes in the amounts of Pensions provided by the Plan. The Board may amend the Plan at any time and shall be guided in such amendments with regard to benefits by the recommendations of the actuary and the requirements of law. The actuary will be a member of the American Academy of Actuaries or a Fellow of the Society of Actuaries and must be enrolled to perform actuarial services

by the Joint Board for the Enrollment of Actuaries established under the Employees Retirement Income Security Act of 1974.

Section 9.4. **Claims Procedure.** If, upon application for a Pension under this Plan, the Board determines that the Pension should be wholly or partially denied, written notice of such determination shall be furnished to the person who filed such application within a reasonable period of time after receipt of the application. Such written notice shall set forth in a manner calculated to be understood by the person filing such application:

- a) The specific reason or reasons for the denial;
- b) Specific reference to pertinent Plan provisions on which the denial is based;
- c) A description of additional material or information necessary to perfect the benefit, if applicable, and an explanation of why such material or information is deemed necessary; and
- d) An explanation of the procedure for further review of the Board's determination.

Within sixty (60) days of receipt of the written notice of benefit denial, the person filing the original application for benefits, or a duly authorized representative, may, by written application, request a re-determination by the Board of the denial of such benefits. Pursuant to such written application for a re-determination, the person filing the application, or a duly authorized representative, may review all pertinent documents and may submit issues, comments and arguments in writing.

Within sixty (60) days of receipt of an application for re-determination (unless special circumstances require a longer period of time, in which case within a reasonable period of time not to exceed one hundred twenty (120) days), the Board shall provide the person filing the application for redetermination with its decision, which shall be in writing and which shall set forth the specific reasons for the decision, written in a manner calculated to be understood by the person filing the application for re-determination, with specific reference to plan provisions on which the decision is based.

ARTICLE X

Guarantees and Liabilities

Section 10.1. **Non Guarantee Of Employment.** Nothing contained in this Plan shall be construed as a contract of employment between the Employers and any Participant, or as a right of any Participant to be continued in the employment of the Employers, or as a limitation of the right of the Employers to discharge any of their Participants, with or without cause.

Section 10.2. **Rights To Trust Fund Assets.** No Participant shall have any right to, or interest in, any part of the Trust Fund's assets upon termination of employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable to such Participant out of the assets of the Trust Fund. All payments of benefits as provided for in this Plan shall be made solely out of the assets of the Trust Fund, and neither the Employers, the Board of Pensions and Benefits nor any member of the Board shall be liable therefore in any manner. No part of the corpus or income of the Trust Fund shall revert to the employer, or be used for or diverted to

purposes other than for the exclusive benefit of the Participants, both active and retired and their Spouses.

Section 10.3. **Disclaimer Of Liability.** Neither the Covenant, the Trustees, Investment Manager, the Employers, nor any member of the Board guarantees the Trust Fund in any manner against loss or depreciation, and they shall not be liable for any act, or failure to act, which is made pursuant to the provisions of the Plan. The Covenant shall not be responsible for any act, or failure to act, of the Board, the Trustees or the Investment Manager. The members of the Board shall not be responsible for any act, or failure to act, of the Employers, the Trustees or the Investment Manager.

Section 10.4. **Indemnification.**

a) **Indemnification of the Plan Administrator by Covenant.** Covenant agrees to indemnify the Plan Administrator and hold the Plan Administrator harmless against any and all expenses and liabilities arising out of its action or failure to act in such capacity, excepting only expenses and liabilities arising out of its own willful misconduct or gross negligence. This right of indemnification is in addition to any other rights to which the Plan Administrator may be entitled.

b) **Liabilities for Which the Plan Administrator is Indemnified.** Liabilities and expenses against which the Plan Administrator is indemnified hereunder include, without limitation, the amount of any settlement or judgment, costs, counsel fees and related charges reasonably incurred in connection with a claim asserted or a proceeding brought against it or the settlement thereof.

c) **Covenant's Right to Settle Claims.** Covenant may, at its own expense, settle any claim asserted or proceeding brought against the Plan Administrator when such settlement appears to be in the best interests of Covenant.

d) **Fiduciary Liability Insurance.** If Covenant obtains fiduciary liability insurance to protect the Plan Administrator, the provisions of this Section 10.4 apply only to the extent that such insurance coverage is not sufficient.

ARTICLE XI
Amendments

Section 11.1. **Amendments.** Amendments to this Plan:

a) Except those referred to in Article V, may be acted upon, provided sixty (60) days prior notice be given to churches, institutions, and employers, at any Annual meeting of the Covenant. An amendment must receive the affirmative vote of two-thirds of all delegates present and voting at the Annual Meeting;

b) Which affects the amount of Pensions, as calculated in Article V, shall be referred and recommended by the Board of Pensions and Benefits to the Executive Board of the Covenant for action at the next regularly scheduled meeting of the Executive Board, which shall have the power to amend Article V; and

c) Can be made by the Board of Pensions and Benefits to make changes to the Plan for the purpose of compliance with federal laws, rules and regulations as they now exist or as they hereinafter are enacted.

ARTICLE XII **Termination**

Section 12.1. **Right To Terminate**. The Covenant may terminate the Plan at any Annual Meeting of the Covenant, and may direct and require the Board to liquidate the Trust Fund. In order to terminate the Plan, a vote of two-thirds of all delegates present and voting at such Annual Meeting is required. In the event the Covenant shall for any reason cease to exist, the Plan shall terminate and the Trust Fund shall be liquidated, unless continued by a successor.

Section 12.2. **Liquidation Of Trust Fund**. Upon termination of the Plan, or a complete discontinuance of contributions, the assets of the Trust Fund shall be liquidated, after provision is made for the expenses of liquidation, by the payment (or provision for the payment) of benefits, in the following order of preference:

- a) To each retired Participant and surviving Spouse who is receiving a Pension on the date of termination;
- b) To each active Participant who attained age sixty-five (65) and completed ten (10) or more years of Service prior to the date of termination; and
- c) To Participants who attained age fifty-five (55) and completed ten (10) or more years of Service prior to the date of termination; and
- d) To all other Participants according to the respective actuarial values of their Accrued Benefits as of the date of termination.

If the assets of the Trust Fund applicable to any of the above groups are insufficient to provide full benefits for all persons in such group, the benefits otherwise payable to such persons shall be reduced proportionately and no benefits shall be paid to any person in a succeeding group. The benefit a Participant is entitled to receive under this Section shall be based on Service prior to the date of termination of the Plan, regardless of age and years of Service on the date of termination of the Plan.

Section 12.3. **Manner Of Distribution**. Any distribution after termination of the Plan may be made at any time, and from time to time, in whole or in part, to the extent that no discrimination in value results, in cash, in securities or other assets in kind, or in annuity contracts, as the Board in its discretion shall determine. In making such distribution, any and all determinations, divisions, appraisals, apportionments, and allotments so made shall be final and conclusive and not subject to question by any person.

Section 12.4. **Reversion**. In no event shall the Employers receive any amounts from the fund upon termination of the Plan, except that, notwithstanding any other provisions of the Plan, the Employers shall receive such amounts, if any, as remain after the satisfaction of all liabilities of the Plan to Participants and beneficiaries.

Section 12.5. **Liabilities.** Employers shall have no liability in respect of payments under the Plan and no liability in respect to the administration of the fund held by the Board, and each Participant and any other person who is entitled, or may become entitled, to payment of any kind under this Plan shall look solely to the Plan's Trust Fund for all payments under the Plan, except as otherwise provided.

ARTICLE XIII **Top-Heavy Requirements**

Section 13.1. **Introduction.** This Article XIII sets forth the rules for determining whether the Plan is "top-heavy", within the meaning of Code Section 416(i), for any Plan Year. If the Plan is top-heavy for a particular year, benefit accruals and vesting for that year must satisfy the requirements of Section 13.4.

Section 13.2. **Determination of Top Heavy Status.** The Plan is top-heavy for a Plan Year if the top-heavy ratio as of the Determination Date exceeds sixty percent (60%). The top-heavy ratio is determined by dividing:

- a) The sum of the Cumulative Accrued Benefits of all Key Employees as of the Determination Date **BY**
- b) The sum of the Cumulative Accrued Benefits of all employees of the Employers (other than (i) employees who have performed no services for the affiliated group (as provided for under Code Section 414(b), (c), (m) or (o)) during the Determination Period and (ii) employees who are not Key Employees as of the Determination Date but who have been Key Employees at any time) as of the Determination Date,

in each case adding to each Participant's Cumulative Accrued Benefit any distributions made within the Determination Period.

Section 13.3. **Definitions.** As used in this Article XIII, the following terms have the meanings indicated, unless the context clearly requires a different meaning:

- a) "**Cumulative Accrued Benefit**" means the sum of:
 - (1) The present value of a Participant's Accrued Benefit under this Plan and all other defined benefit plans maintained by Covenant; and
 - (2) His/her account balance, including any contribution not made as of the Determination Date but includible under Code Section 416, under all defined contribution plans maintained by Covenant or a member of the affiliated group (as provided for under Code Section 414(b), (c), (m) or (o)).
- b) "**Determination Date**" means, for any Plan Year, the last day of the preceding Plan Year or, in the case of the first Plan Year of the Plan, the allocation date of that Plan Year.

c) “**Determination Period**” means the twelve (12) month period ending on a Determination Date, except that a Determination Period with respect to an in-service distribution is the five (5) year period ending on a Determination Date.

d) “**Key Employee**” means, as of any Determination Date, any officer of a Employer who, during the Plan Year ending on the Determination Date:

(1) Has Considered Compensation in excess of one hundred seventy thousand dollars (\$170,000) or such other amount as may be prescribed in accordance with Code Section 416(i)(1)(A), and is an officer of an Employer; or

(2) Is a more than five percent (5%) owner of an Employer or of any entity that controls, is controlled by or is under common control with an Employer, within the meaning of Code Section 414(b) or (c); or

(3) Is a more than one percent (1%) owner of an Employer or of any entity that controls, is controlled by or is under common control with an Employer, within the meaning of Code Sections 414(b) or (c) and has Considered Compensation of more than \$150,000.

The constructive ownership rules of Code Section 318, as modified by Code Section 416(i)(1)(B)(iii) apply to determine ownership. If more than the lesser of:

(i) Ten percent (10%) of the total number of employees of all Employers; or

(ii) Fifty (50) employees are officers,

then only the highest paid ten percent (10%) or fifty (50) are Key Employees.

Section 13.4. **Effect of Top-Heavy Status**. For any Plan Year in which the Plan meets the conditions specified in Section 13.1, its provisions are modified as follows:

a) Each Participant who has completed three (3) or more years of vesting Service is fully vested in his/her Accrued Benefit.

b) Each active Participant who is not a Key Employee must accrue a benefit for the Plan Year equal to at least two percent (2%) of his/her Considered Compensation for such Plan Year; provided, however, that the application of this paragraph (b) will not increase any Participant’s Accrued Benefit to more than twenty percent (20%) of his/her Considered Compensation for such Plan Year.

ARTICLE XIV
Special Provisions re Ministers
Employed at Covenant Institutions

Section 14.1. **Employment By North Park University or Covenant Ministries of Benevolence Prior To December 31, 1971**. Any minister who, prior to December 31, 1971, became employed on a full-time basis by North Park University (formerly known as North Park University

and Theological Seminary), by Covenant Ministries of Benevolence, or by any other Covenant institution shall be subject to the following provisions:

a) The minister must within sixty (60) days after January 1, 1972, elect by written notice filed with the Board not to participate in this Plan. If the minister so elects, the minister will receive a monthly Pension, upon attainment of age sixty-five (65), of \$4.00 multiplied by each year of past Service through July 1, 1965.

b) The minister must within sixty (60) days after January 1, 1972, elect in writing filed with the Board to continue in the Plan as a Voluntary Participant, and the minister or the minister's present Employer must contribute:

(1) The full amount as required by Sections 3.1 and 3.2 of this Plan, and

(2) An amount equal to \$240.00 for each year of Service with North Park University, Covenant Ministries of Benevolence, or any other Covenant institution from July 1, 1965, up to December 31, 1971.

c) Failure to make an election within the required time period terminates any rights the minister may have under this Plan or the former Covenant Pension Rules.

Section 14.2. **Employment By North Park University or Covenant Ministries of Benevolence After December 31, 1971.** Any minister who after December 31, 1971, becomes employed on a full-time basis by North Park University, by Covenant Ministries of Benevolence, or by any other Covenant institution shall be subject to the following provisions:

a) If the minister elects in writing to continue as a Participant, the minister or the minister's new employer must contribute the amount as required by Sections 3.1 and 3.2; or

b) In the absence of such an election the minister will receive such benefits as may have accrued under this Plan prior to the date of transfer to the institution pursuant to the Plan.

Section 14.3. **Canada Covenant Pension Plan.** Effective July 1, 1996, churches and institutions in Canada will no longer be participating employers in the Covenant Pension Plan. Years of Service under the Canada Covenant Pension Plan after July 1, 1996 shall be credited for purpose of vesting to Participants in the Covenant Pension Plan, but not for purpose of any Accrued Benefits, as benefits are accrued under the Canada Covenant Pension Plan. Vested Participants with Service under both the Covenant Pension Plan and the Canada Covenant Pension Plan may be eligible for benefits from both plans.

ARTICLE XV **Supplemental Benefit Program**

Section 15.1. **Fund for Supplemental Benefits.** The Board of Pensions and Benefits shall establish, from additional contributions to the Covenant Pension Fund, the grant of discretionary supplemental retirement benefits to ministers who are Participants under the Plan but in financial need. The Board of Pensions and Benefits shall establish procedures to identify and provide supplemental benefits for such Participants who have served as Covenant ministers or Covenant

missionaries. The supplemental benefits shall be available on a basis of financial need to those similarly situated, eligible persons as described above according to rules established by the Board of Pensions and Benefits and applied on a uniform and consistent basis. The Board of Pensions and Benefits shall annually determine the percentage of the fund for supplemental benefits to be distributed.

* * * * *

IN WITNESS WHEREOF, The Evangelical Covenant Church has caused this Plan to be executed by its duly authorized officer and its corporate seal to be hereunto affixed this 31st day of October 31st, 2014.

THE EVANGELICAL COVENANT CHURCH



Treasurer, Executive Director - Finance