Page Number: Page 1 of 1
Suggested Title: Global Episcopal Pension Program
Discipline Paragraph Number: 817.8
Financial Implications: Yes
Agency Names: General Council on Finance and Administration and General Board of Pension and Health Benefits

Add the following sentence after the last sentence of ¶817.8:

The pensions for the support of bishops elected by central conferences and those of their surviving spouses and, for service years beginning before January 1, 1982, the pensions for the support of bishops elected by jurisdictional conferences and those of their surviving spouses shall both include the benefits provided by the Global Episcopal Pension Program.

Amend and restate the Global Episcopal Pension Program, effective May 3, 2008, in the form of Exhibit A attached hereto.

SUBMITTED BY:

Sandra Lackore, General Secretary, General Council on Finance and Administration

X____

Bishop Mary Ann Swenson, President

X______________________________

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Barbara A. Boigegrain, General Secretary, General Board of Pension and Health Benefits

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Bishop Ben R. Chamness, Chairperson

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Exhibit A

Global Episcopal Pension Program

A Church Retirement Benefits Plan of

The United Methodist Church

Restated as of May 3, 2008, as Adopted by the 2008 General Conference

GEPP08.001

Global Episcopal Pension Program

TABLE OF CONTENTS

Section **Page**

Note: The Global Episcopal Pension Program is a church plan that is not subject to registration, regulation, or reporting under the Investment Company Act of 1940, the Securities Act of 1933, the Securities Exchange Act of 1934, Title 15 of the United States Code, or State securities laws. Similarly, the Administrator and the Trustee of the Program and the entities maintaining any investment funds under the Program are not subject to those provisions of those Acts or laws. Therefore, Program participants, terminated participants, and surviving spouses will not be afforded the protection of those provisions.

GLOBAL EPISCOPAL PENSION PROGRAM

SECTION 1 – INTRODUCTION

1.1 Defined Terms. As used in this Program, capitalized terms, including acronyms, have the meanings set forth in Section 2. When not set forth in that Section, capitalized and non-capitalized terms have the meanings set forth in predecessor plans or the meanings given to them in the Discipline or a dictionary of general usage.

1.2 History. The Program is an amendment and restatement of the Prior Plan, effective May 3, 2008, as approved by General Conference 2008. The Prior Plan was frozen as of December 31, 1981, as applied to Jurisdictional Bishops, which has been preserved in Supplement One hereto to the extent necessary to administer benefits to Jurisdictional Bishops on and after May 3, 2008. Jurisdictional Bishops participated in the Ministerial Pension Plan (as sponsored by GCFA and administered by the Administrator) on and after January 1, 1982. The Prior Plan began at least as far back as 1972 (see *The Book of Discipline* of 1972 (¶862), 1976 (¶926), 1980 (¶927), and 1984 (¶930)), but it or predecessor Episcopal pension provisions existed even before then (see, e.g., *The Book of Discipline* of 1968 (¶888), 1964 (¶774), 1956 (¶774), and 1932 (¶331.2)). The Prior Plan continued after 1981 for Central Conference Bishops. The Prior Plan was embodied in several documents, including, but not limited to, provisions in *The Book of Discipline*, GCFA Episcopal Fund reports to General Conference, GCFA Council actions, and other administrative policies and procedures.

1.3 The Program. The Program, as approved by General Conference 2008, is the Global Episcopal Pension Program and consists of the following subdivisions, plus any others that may be added to the Program (and minus any others that may be removed from the Program) from time to time:

(a) The Central Conference Bishops' Plan; and

(b) Supplement One, also known as the Prior Plan (and other names listed at that defined term).

These subdivisions reflect separate benefit designs, but not separate funding. The Program applies to a Participant, a Terminated Participant, a Surviving Spouse, or a Recipient as of the earlier of the date such person first became eligible for the Program or first had a benefit or an Accrued Benefit and will remain applicable, as the Program exists from time to time, until such person no longer has a benefit or an Accrued Benefit under the Program. If any issue under the Program applies after such person's benefit or Accrued Benefit has been fully paid, then the terms of the Program as they existed at the time of the events giving rise to the dispute will apply to such person. In the case of a Surviving Spouse or any other person who does not have a benefit or an Accrued Benefit but who claims a benefit under the Program, the terms of the Program as they existed at the time or times such person would have been entitled to a benefit or an Accrued Benefit if such claim were upheld will govern.

1.4 **Exclusive Benefit.** The Program is for the exclusive benefit of Participants, Terminated Participants, and Recipients. No portion of the funds contributed to the Program will revert to or be applied for the benefit of the Plan Sponsor, except as specifically permitted herein.

1.5 **Type of Plan.** The Program is intended to be a program of one or more church-sponsored retirement income accounts within the meaning of Code §403(b)(9), specifically a defined benefit plan, as that term is defined in Code §414(j). The Program is a grandfathered pre-August 14, 1982 defined benefit Code §403(b)(9) plan in accordance with §251(e)(5) of the Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248). For the purpose of Code §414(e), GCFA, the sponsor of the Program, is an organization controlled by or associated with a church or a convention or association of churches (within the meaning of Code §414(e)(3)(D)). Further, the Program is intended to meet the requirements of a "church plan" as that term is defined in Code §414(e) and ERISA §3(33) and to be exempt from ERISA as a Church Plan to the extent permitted under Code §410(d), applicable ERISA sections (including, but not limited to, ERISA §§4(b)(2) and 4021(b)(3)), and any other applicable law.

SECTION 2 - DEFINITIONS AND RULES OF INTERPRETATION

As used in this Program, capitalized terms have the meanings set forth below.

2.1 **Accrued Benefit.** The monthly amount computed in accordance with Section 6.1.

2.2 **Actuarial Equivalent** or **Actuarially Equivalent.** Providing a benefit having the same value after adjusting for mortality and the time value of money, using generally accepted actuarial methods and assumptions, including an interest or discount rate and a mortality table, selected by the Administrator from time to time.

2.3 **Administrator.** GBOPHB or any successor.

2.4 **Affiliate.** Any entity that is:

(a) a corporation that is a member of the same controlled group of corporations, as defined in Code §414(b), as the Plan Sponsor;

(b) a trade or business, whether or not incorporated, that is under common control with the Plan Sponsor within the meaning of Code §414(c);

(c) a member of the same affiliated service group, as defined in Code §414(m), as the Plan Sponsor; or

(d) otherwise required to be aggregated with the Plan Sponsor pursuant to Regulations issued under Code §414(o), but that is not itself the Plan Sponsor.

2.5 **Alternate Payee.** A Spouse, former Spouse, child, or other dependent of a Participant or Terminated Participant entitled to receive a portion of such Participant's or Terminated Participant's Accrued Benefit or monthly benefit under a QDRO.

2.6 **Annual Retirement Benefit.** A retirement benefit (actuarially adjusted as provided in Section 5 and Code §415(b)) payable annually under the 415 DB Plan in the form of a single-life annuity (with no ancillary benefits).

2.7 **Annuity Starting Date.** The first day of the month for which an amount is payable as an Early Retirement Benefit, a Normal Retirement Benefit, or a Late Retirement Benefit or, in the case of a benefit not payable in such form (such as a 70% Pre-Retirement Survivor Benefit), the day coinciding with the completion of all events that entitle the Participant, Terminated Participant, or Surviving Spouse to such benefit. When a Recipient has elected to defer the start of a monthly benefit that could be paid earlier, the Annuity Starting Date will be the date on which the monthly benefit payments are actually scheduled to begin.

2.8 **Application for Benefits.** A form established by the Administrator from time to time upon which a Participant, Terminated Participant, or other Recipient officially applies for benefits under the Program.

2.9 Bishop. A Jurisdictional Bishop or a Central Conference Bishop.

2.10 Central Conference. A conference of The United Methodist Church described in ¶540 and Section III of Chapter Four of Part V of the Discipline.

2.11 Central Conference Bishop. A bishop of The United Methodist Church elected and consecrated by a Central Conference in accordance with ¶406 of the Discipline or predecessor provisions of the Discipline, including such a Retired bishop and such a bishop who has terminated office in accordance with ¶409.4 (resignation), ¶412 (not re-elected), or ¶2704.1, ¶2711.3, and ¶2712 (removal) of the Discipline.

2.12 Central Conference Bishops' Plan. The portion of the Program described in this document other than Supplement One.

2.13 Church Plan. A plan qualifying under Code §414(e) or ERISA §3(33) that has not made an election under Code §410(d).

2.14 Claimant. A person who makes a claim for benefits under the Program or who appeals the denial of such a claim, or such person's representative.

2.15 Code. The Internal Revenue Code of 1986, as now in effect or as hereafter amended, and any regulation, ruling, or other administrative guidance issued pursuant thereto by the Internal Revenue Service.

2.16 Disabled or **Disability.** In the case of a Central Conference Bishop:

(a) receiving long-term disability benefits under the terms of a disability benefit plan provided by the Plan Sponsor; or

(b) assigned to incapacity leave under ¶411.4 of the Discipline.

2.17 Discipline. *The Book of Discipline of The United Methodist Church 2004*, the body of church law established by General Conference, as amended and restated from time to time. Cited paragraphs or other subdivisions are deemed to refer to successor provisions when an amendment or restatement of *The Book of Discipline of The United Methodist Church* causes a change in location or citation.

2.18 Distribution Calendar Year. A calendar year for which a minimum distribution is required under Code §401(a)(9). For distributions beginning before a Participant's or Terminated Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year that contains the Participant's or Terminated Participant's Required Beginning Date. For distributions beginning after a Participant's or Terminated Participant's death, the first Distribution Calendar year is the calendar year in which distributions are required to begin under Section 9.4(a)(ii).

2.19 Early Retirement Age. The age or service completion date specified in ¶409.2*b* of the Discipline (age 62 or 35 years of service as elder or bishop); or, for a person who retires in accordance with ¶409.3 of the Discipline (involuntary retirement) or who is a

Terminated Participant, age 62.

2.20 Early Retirement Benefit. The monthly pension amount that is computed in accordance with Section 8.2 (and any other applicable provisions of the Central Conference Bishops' Plan) and payable in accordance with the Central Conference Bishops' Plan, starting at a Participant's or Terminated Participant's Early Retirement Date or such later time as is specified in Section 9.2.

2.21 Early Retirement Date. The first day of the month coinciding with or next following the later of:

(a) the date on which a Participant or Terminated Participant attains his or her Early Retirement Age; or

(b) in the case of a:

(i) Participant, the date on which the Participant Retires; or

(ii) Terminated Participant, the date on which the Terminated Participant resigns as a Bishop under ¶409.4 of the Discipline or is not re-elected as a Bishop under ¶412 of the Discipline;

provided that such date is before the Participant's or Terminated Participant's Normal Retirement Date.

2.22 Effective Date. The restated Program is generally effective on May 3, 2008, the first day after the close of General Conference 2008, subject to any specific provision in the Program to the contrary.

2.23 Eligible Rollover Distribution. Any distribution of all or any portion of the balance to the credit of a distributee covered under Section 9.1(c), except that the term "Eligible Rollover Distribution" does not include:

(a) any distribution that is one of a series of substantially equal periodic payments made (not less frequently than annually) for the life (or life expectancy) of such distributee or the joint lives (or joint life expectancies) of such distributee and such distributee's Surviving Spouse;

(b) any distribution to the extent such distribution is required under Code §401(a)(9); or

(c) any other excluded distribution described in Code §402(c)(4), Regulations thereunder, or any other provision of the Code or Regulations.

2.24 Episcopal Fund. The fund maintained by GCFA to fund Bishop salaries, expenses, and benefits.

2.25 ERISA. The Employee Retirement Income Security Act of 1974, as now in effect or as hereafter amended, and any regulation, ruling, or other administrative guidance issued pursuant thereto by the Internal Revenue Service, the Department of Labor, or the Pension Benefit Guaranty Corporation.

2.26 **Final Salary.** The monthly rate of Salary (or deemed Salary) in effect for a Bishop at the end of the last month in which he or she had Salary (or deemed Salary) as a Bishop immediately preceding his or her Retirement, Termination, or death.

2.27 **415 Affiliate.** An entity that either is an Affiliate, or would be an Affiliate if Code §414 were modified in the manner provided by Code §415(h).

2.28 **415 Compensation.** All Includible Compensation paid or made available by the Plan Sponsor or a 415 Affiliate to a Bishop in exchange for services rendered, including:

(a) the Bishop's wages, salaries, fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment to the extent that the amounts are includable in gross income (including, but not limited to, bonuses, fringe benefits, and reimbursements or other expense allowances under a non-accountable plan (as described in Regulation §1.62-2(c)), but excluding severance pay that would not have been paid but for a severance from employment);

(b) in the case of a Self-Employed Bishop, the Bishop's earned income (as described in Code §401(c)(2) and the Regulations thereunder);

(c) amounts received in connection with accident or sickness and described in Code §§104(a)(3), 105(a), and 105(h), but only to the extent that these amounts are includable in the gross income of the Bishop;

(d) amounts includible in the gross income of the Bishop:

(i) paid for, or as reimbursements of, moving expenses;

(ii) under Code §409A, Code §457(f)(1)(A), or the doctrine of constructive receipt; and

(iii) as gain under a Code §83(b) election; and

(e) any elective contributions excluded from income under Code §125 (relating to cafeteria plans), Code §132(f) (relating to qualified transportation fringe benefits), Code §402(e)(3) (relating to 401(k) plans), Code §402(h) (relating to simplified employee pension plans), Code §403(b) (relating to tax-sheltered annuity plans), or compensation deferred under a plan qualified under Code §457.

For the purposes of Sections 2.28(a) and (b), "415 Compensation" includes foreign earned income (as defined in Code §911(b)), whether or not excludable from gross income under Code §911. Compensation described in Section 2.28(a) above is to be determined without regard to the exclusions from gross income in Code §§872(b), 893, 894, 911, 931, and 933 (dealing with income from sources outside of the United States). Similar principles are to be applied with respect to income subject to Code §§872(b), 893, 894, 911, 931, and 933 in determining compensation described in Section 2.28(b). The term "415 Compensation" does not include:

(1) Contributions made to the Program, or distributions from a plan of deferred compensation, regardless of whether such amounts are includable in the gross income of the Bishop when distributed. However, any amounts received by a Bishop pursuant to an unfunded nonqualified plan will be considered as "415 Compensation" in the year the amounts are includable in the gross income of the Bishop;

(2) Other amounts that receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includable in the gross income of the Bishop) or housing allowance excludable under Code §107; or

(3) Amounts paid after severance from employment, except that "415 Compensation" does include:

(A) Amounts paid under Section 2.28(a) above that are paid after severance from employment but within the Limitation Year in which services were rendered or within 2½ months following such Limitation Year;

(B) Amounts paid after severance from employment on account of unused sick, vacation, or other leave time that are paid within the Limitation Year in which severance occurred or within 2½ months following such Limitation Year; and

(C) Amounts received pursuant to an unfunded nonqualified deferred compensation plan that are paid after severance from employment, but only to the extent that such amounts:

(I) would have been paid at the same time had there been no severance from employment;

(II) are included in the Bishop's gross income; and

(III) are paid within the Limitation Year in which severance occurred or within 2½ months following such Limitation Year.

2.29 415 DB Plan. A defined benefit plan composed of the provisions of:

(a) the Central Conference Bishops' Plan;

(b) the Prior Plan; and

(c) any Related Defined Benefit Plan,

and paying an Annual Retirement Benefit that is the sum of the benefits payable under all such plans.

2.30 **GBOPHB.** The General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois.

2.31 **GCFA.** The General Council on Finance and Administration of The United Methodist Church, incorporated in Illinois.

2.32 **General Conference.** The General Conference of The United Methodist Church, the highest legislative body in the denomination, as described in Section I of Chapter Four of Part V of the Discipline.

2.33 **Housing Allowance.** A Bishop's Final Salary, times 25%.

2.34 **Includible Compensation.** For any Limitation Year, a Bishop's compensation as determined under Code §415(c)(3)(E), Code §403(b)(3), and Regulations thereunder:

(a) In the case of a full-time Bishop who was paid for the entire Limitation Year, such compensation received by the Bishop for services as a Bishop during a Limitation Year; and

(b) In the case of a full-time Bishop who was not paid for the entire Limitation Year or a part-time Bishop, such compensation received by the Bishop during the most recent period that constitutes a year of service under Code §403(b)(4) and applicable Regulations.

2.35 **Jurisdictional Bishop.** A bishop of The United Methodist Church elected and consecrated by a Jurisdictional Conference before January 1, 1982 in accordance with ¶406 of the Discipline or predecessor provisions of the Discipline, including such a bishop who has Retired or Terminated.

2.36 **Jurisdictional Conference.** One of the organizational units of The United Methodist Church, as described in Section II of Chapter Four of Part V of the Discipline.

2.37 **Late Retirement Benefit.** The monthly pension amount that is computed in accordance with Section 8.3 (and any other applicable provisions of the Central Conference Bishops' Plan) and payable in accordance with the Central Conference Bishops' Plan, starting at a Participant's or Terminated Participant's Late Retirement Date. The amount of a Participant's or Terminated Participant's Late Retirement Benefit will not be increased, actuarially or otherwise, over the amount payable at the Participant's or Terminated Participant's Normal Retirement Date on account of late payment.

2.38 **Late Retirement Date.** The first day of the month coinciding with or next following:

(a) In the case of a Participant, the Participant's actual Retirement Date after having reached his or her Normal Retirement Date, but not later than the mandatory retirement date specified in ¶409.1 of the Discipline; or

(b) In the case of a Terminated Participant, the date of the Administrator's acceptance of the Terminated Participant's Application for Benefits after having reached his or her Normal Retirement Date, but not later than his or her Required Beginning Date.

2.39 **Leave of Absence.** A Bishop's period of absence from performing his or her Episcopal duties in accordance with ¶411 of the Discipline provided, however, that the Bishop Retires or returns to his or her Episcopal duties within the time allowed under ¶411 of the Discipline.

2.40 **Limitation Year.** The twelve-month period used by the Program for the purpose of applying the limitations of Code §415, which is the same as the Plan Year.

2.41 **Normal Retirement Benefit.** The monthly pension amount that is computed in accordance with Section 8.1 (and any other applicable provisions of the Central Conference Bishops' Plan) and payable in accordance with the Central Conference Bishops' Plan, starting at a Participant's or Terminated Participant's Normal Retirement Date.

2.42 **Normal Retirement Date.**

(a) In the case of a Participant, the first day of the month coinciding with or next following the earlier of:

(i) the Participant's 65th birthday; or

(ii) the date on which the Participant attains 40 years of service under ¶409.2*a)* of the Discipline.

(b) In the case of a Terminated Participant, the first day of the month coinciding with or next following the Terminated Participant's 65th birthday.

2.43 **Participant.**

(a) As used in the Central Conference Bishops' Plan, a Central Conference Bishop who qualifies under Section 3.1, including such a Bishop who has Retired;

(b) As used in Supplement One, an eligible Recipient under Section S1.2.1.

2.44 **Plan Sponsor.** GCFA.

2.45 **Plan Year.** The calendar year.

2.46 **Prior Plan.** The Episcopal Pension Program as it existed on December 31, 1981, but limited to the portion covering Jurisdictional Bishops with service before 1982. This plan is sometimes referred to as the Bishops Reserve Pension and Benefit Fund, the Bishops' Reserve Pension Fund, the Pre-82 Jurisdictional Bishops' Plan, or the contributory reserve pension fund. Benefits due under the current version of the Prior Plan are reflected in Supplement One.

2.47 Program. The Global Episcopal Pension Program as restated in this document.

2.48 QDRO. A qualified domestic relations order in accordance with Code §414(p), approved by the Administrator in accordance with Section 10.12.

2.49 Recipient. A Participant, a Terminated Participant, a Surviving Spouse, or an Alternate Payee who has an Accrued Benefit under, or who is receiving or is entitled to receive all or a portion of a benefit due under the Program.

2.50 Regulation. Any applicable regulation, including proposed and temporary regulations, issued by the Department of the Treasury or Internal Revenue Service that is codified at Title 26 of the Code of Federal Regulations. Where a reference is made to temporary or proposed regulations, such reference will include any permanent regulations, modified proposed regulations, or temporary regulations issued in lieu thereof.

2.51 Related Defined Benefit Plan. Any defined benefit plan (as defined in Code §414(j)) other than the Central Conference Bishops' Plan and the Prior Plan that is maintained by the Plan Sponsor or any Affiliate.

2.52 Relinquish. The permanent renunciation of a benefit by a Recipient so that it does not pass to a successor. Relinquished benefits are forfeited under Section 7.2.

2.53 Required Beginning Date. April 1 of the calendar year following the later of:

(a) the calendar year in which a Participant Retires or Terminates; or

(b) the calendar year in which the Participant attains the age of 70½.

2.54 Retire or **Retirement.** In the case of a:

(a) Participant, to have:

(i) the status of a retired Bishop in accordance with ¶409.1 (mandatory retirement), ¶409.2 (voluntary retirement), or ¶409.3 (involuntary retirement) of the Discipline; or

(ii) terminated the Participant's Episcopal office by reason of his or her death; or

(b) Terminated Participant, applying for a distribution under the Program on or after such Terminated Participant's 62nd birthday.

2.55 Retirement Date. The date on which a Participant or Terminated Participant Retires.

2.56 Salary. The monthly base amount paid by the Plan Sponsor to a Bishop for services as a Bishop, not counting any:

(a) cash allowance for housing;

(b) parsonage actually provided; or

(c) expense reimbursements or other payments that are beyond base monthly pay.

In the case of a Bishop who is Disabled and who does not receive a continuation of his or her salary under ¶411.4 of the Discipline, "Salary" for such Bishop will be deemed to be the last actual salary such Bishop received for services as a Bishop, as increased 3% per year from the date such Bishop last received actual salary for services as a Bishop.

2.57 Section. Any article, section, subsection, paragraph, subparagraph, clause, or other portion of this Program.

2.58 Self-Employed Bishop. A Bishop who is self-employed within the meaning of Code §401(c)(1)(B) but is treated as an employee within the meaning of Code §414(e)(5)(A)(i)(I) and the Regulations thereunder.

2.59 Service. A period of time during which Salary is paid to a Bishop for the performance of the duties of a Bishop, starting when an individual is consecrated as a Bishop and ending when such individual:

(a) Retires as a Bishop;

(b) resigns in accordance with ¶409.4 of the Discipline;

(c) is not re-elected as a Bishop in accordance with ¶412 of the Discipline;

(d) is removed from office in accordance with ¶¶2704.1, 2711.3, and 2712 of the Discipline; or

(e) dies,

but excluding any periods for which such individual receives no Salary as a Bishop, such as an unpaid Leave of Absence.

2.60 70% Pre-Retirement Survivor Benefit. A monthly benefit payable in accordance with the terms of the Central Conference Bishops' Plan to the Surviving Spouse of a Participant or Terminated Participant who died before beginning his or her Early, Normal, or Late Retirement Benefit that is 70% of the deceased Participant's or Terminated Participant's Accrued Benefit, computed as of the Participant's or Terminated Participant's date of death. Such monthly benefit is payable:

(a) beginning on:

(i) the first of the month following the Participant's or Terminated Participant's date of death; or

(ii) such later date as such Surviving Spouse may elect (in accordance with rules and procedures adopted by the Administrator from time to time); and

(b) ending with the payment made on the first of the month in which such Surviving Spouse dies,

but with a reasonable actuarial reduction determined by the Administrator to reflect early commencement in the case of payment beginning before such Participant's or Terminated Participant's Normal Retirement Date. The Surviving Spouse must have been the Spouse of the deceased Participant or Terminated Participant on his or her date of death. Once payment has begun, a 70% Pre-Retirement Survivor Benefit is subject to annual cost of living increases as provided in Section 8.4.

2.61 **70% Joint and Surviving Spouse Benefit.** A monthly annuity for the life of a Participant or Terminated Participant, beginning on such Participant's or Terminated Participant's Annuity Starting Date, payable for as long as he or she lives, and, upon his or her death, payable to his or her Spouse, if any, in an amount equal to 70% of the monthly benefit payable to the Participant or Terminated Participant immediately before his or her death. If the Participant or Terminated Participant is not survived by a Spouse, then no further benefit is payable to anyone upon the death of the Participant or Terminated Participant. To qualify as a Participant's or Terminated Participant's Spouse, a person must have been the Participant's or Terminated Participant's Spouse on the Annuity Starting Date of the 70% Joint and Surviving Spouse Benefit. If a 70% Joint and Surviving Spouse Benefit is begun before the Participant's or Terminated Participant's Normal Retirement Date, the benefit is subject to a reasonable actuarial reduction determined by the Administrator to reflect early commencement. Once payment has begun, a 70% Joint and Surviving Spouse Benefit is subject to annual cost of living increases as provided in Section 8.4.

2.62 **Spouse.** The husband or wife of a Participant or Terminated Participant who is legally married to such Participant or Terminated Participant under the laws of the jurisdiction where the Participant or Terminated Participant resides on his or her Annuity Starting Date or death. Notwithstanding the foregoing, the term "Spouse" does not include common law spouses, even in jurisdictions that recognize common law marriage.

2.63 **Supplement.** Supplement One or any other supplement to this Program.

2.64 **Supplement One.** The Prior Plan.

2.65 **Surviving Spouse.** The Spouse of a Participant or Terminated Participant who was legally married to such Participant or Terminated Participant on the date of such Participant's or Terminated Participant's death. In the case of the Spouse of a Participant or Terminated Participant under Supplement One, the Spouse must also be listed in Appendix A to be a Surviving Spouse.

2.66 **Terminated Participant.** A Bishop who has been a Participant but who has terminated his or her Episcopal office in accordance with any of the following Discipline provisions:

(a) ¶409.4 (resignation);

(b) ¶412 (not re-elected); or

(c) ¶¶2704.1, 2711.3, and 2712 (removal).

2.67 **Terminate** or **Termination.** A Participant becoming a Terminated Participant.

2.68 **Trust.** The trust or trusts, including the Pension Trust of The United Methodist Church, established to fund benefits provided under the Program, as provided in Section 4.1. The term "Trust" also includes, as applicable, any insurance contract purchased to fund benefits under the Program.

2.69 **Trust Agreement.** The agreement or agreements between the Administrator and the Trustee pursuant to which the Trust is established.

2.70 **Trustee.** The General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Missouri or any successor.

2.71 **Vested.** The nonforfeitable portion of any benefit, except as provided in Section 7.2.

2.72 **Years of Service.** Years and fractions of years of Service as a Central Conference Bishop, where a year of Service is any 12-month period and fractions of years are determined by months of Service in a partial year of Service, divided by 12. Service for any part of a calendar month is a month of Service.

SECTION 3 - PARTICIPATION

3.1 Eligibility for Participation.

(a) Each Central Conference Bishop participating in the Central Conference Bishops' Plan before the Effective Date will continue to participate in the Central Conference Bishops' Plan on and after the Effective Date. Each Central Conference Bishop elected as such on or after the Effective Date will become a Participant in the Central Conference Bishops' Plan on the date of his or her consecration as a Central Conference Bishop.

(b) Although it will not prevent a Central Conference Bishop from participating in the Central Conference Bishops' Plan, the Administrator may require the Plan Sponsor to file an application for enrollment in the Central Conference Bishops' Plan in such form as may be required by the Administrator or to otherwise provide necessary enrollment information in a manner acceptable to the Administrator.

3.2 Termination of Participation. After first becoming eligible to participate as provided in Section 3.1, a Central Conference Bishop will continue to participate in the Central Conference Bishops' Plan until he or she becomes a Terminated Participant. A Disabled Central Conference Bishop will remain a Participant in the Central Conference Bishops' Plan and will continue to accrue further Accrued Benefits to the extent that he or she continues to receive Salary or deemed Salary. A Retired Central Conference Bishop will remain a Participant in the Central Conference Bishops' Plan but will not continue to accrue further Accrued Benefits after Retirement.

SECTION 4 - FUNDING

4.1 Program Funding. Contributions to fund the benefits provided under the Program will be made by the Plan Sponsor. Both the Prior Plan and the Central Conference Bishops' Plan are funded from the same funding pool, which is held in the Trust. Accordingly, both of these plans constituting the Program are a single plan as that term is defined in Regulation §1.414(l)-1(b)(1).

(a) *Trust*. To receive contributions to fund the Program, the Administrator has established the Trust pursuant to the Trust Agreement. All benefits under the Program will be provided exclusively by distributions from the Trust. The Trustee has the powers and duties specified in the Trust Agreement. The Administrator has the authority to replace the Trustee of the Trust at any time, or to establish additional Trusts to fund benefits under the Program. The Trust or Trusts funding the Program will separately account for Program assets and will comply with Section 1.4.

(b) *Investment*. The Trustee will invest Program assets as provided in the Trust. Assets from the Program may be commingled with non-Program assets for investment purposes provided that separate accounting and compliance with Section 1.4 is maintained.

(c) *Insurance Contract*. Benefits under the Program may also, in the Administrator's discretion, be provided by the purchase of insurance contracts, and, in such event, the term "Trust" will also include the Program's interest, if any, in such insurance contracts. Such insurance contracts may be entered into by the Administrator or by the Trustee in accordance with the Administrator's direction.

(d) *Benefit Payment*. Benefits under the Program will be paid exclusively by distributions from the Trust. Neither the Plan Sponsor, the Trustee, nor the Administrator will be liable to pay Program benefits from other funding sources.

(e) *Contributions.* The Plan Sponsor will make sufficient contributions to the Trust from time to time to fund benefits payable under the Program, based on actuarial advice from the Administrator.

(f) *Reversion from the Trust.* The Plan Sponsor may not receive a reversion of assets in the Trust unless assets remain after all liabilities of the Program have been satisfied as to all Participants, Terminated Participants, Recipients, and any other persons entitled to benefits under the Program. When all such liabilities have been satisfied by the payment of all benefits due by annuitizing any remaining benefits with an insurance or annuity provider selected by the Administrator, and/or by converting, merging, or spinning off any remaining benefits to Actuarially Equivalent lump sum or annuity benefits to be paid from another plan or insurance contract, any remaining assets may be returned to the Plan Sponsor. Notwithstanding the foregoing, assets may also be returned to the Plan Sponsor if a contribution is made to the Program by a mistake of fact. In such case such contribution will be returned to the Plan Sponsor (adjusted for any investment gains or losses) if:

(i) The Plan Sponsor sends a written request for its return to the Administrator within one year after the contribution was made, and

(ii) The Plan Sponsor documents such mistake to the satisfaction of the Administrator.

4.2 Contributions. The Administrator will advise the Plan Sponsor periodically of any needed contributions to the Program based on actuarial valuations performed periodically by agreement between the Plan Sponsor and the Administrator. The Plan Sponsor will make needed contributions in accordance with Section 4.1

SECTION 5 - LIMITS ON BENEFITS

5.1 General Limitation on Benefits. Notwithstanding any other provisions of the 415 DB Plan to the contrary (other than this Section 5), the Annual Retirement Benefit payable with respect to a Participant or a Terminated Participant under the 415 DB Plan may not exceed an amount equal to the lesser of:

(a) $180,000 (or such greater amount as may be determined from time to time in accordance with Code §415(d) for calendar years ending after December 31, 2007 that begin within the Plan Year, including Plan Years after a Participant or Terminated Participant incurred a severance from employment or commenced his or her 415 DB Plan benefit); or

(b) 100% of the Participant's or Terminated Participant's average 415 Compensation for the three consecutive calendar years (as provided in Section 5.3) in which he or she received the highest aggregate 415 Compensation. For Plan Years commencing on or after the Effective Date, to the extent required by Code §415(b), a Participant's Section 415 Compensation in excess of the limit in Code §401(a)(17) ($225,000 in 2007, adjusted each Plan Year to take into account any applicable cost-of-living adjustment provided for that year pursuant to Regulations under Code §401(a)(17)(B)) will be disregarded. Notwithstanding the foregoing, the limit of this Section 5.1(b) will not apply to Accrued Benefits accrued by a Bishop in a Plan Year before the date on which he or she first became highly compensated within the meaning of Code §414(q) to the extent that such Accrued Benefits qualify under Code §415(b)(11).

If the benefits otherwise payable under the 415 DB Plan exceed the foregoing limit, they will be reduced until they meet that limit, but such reduced benefits will be paid in a future Plan Year in which benefits from the 415 DB Plan are being paid if they then meet the applicable limit. If more than one separate plan comprises the 415 DB Plan and if benefits must be limited under this Section 5.1, the benefit under a plan with a smaller dollar amount of plan sponsor benefit will be reduced before a plan with a larger amount.

5.2 Adjustments to Annual Retirement Benefit. The Annual Retirement Benefit payable with respect to a Participant or Terminated Participant under the 415 DB Plan will be actuarially adjusted for the purpose of the limit under Section 5.1 as follows:

(a) If a Participant's or Terminated Participant's Annual Retirement Benefit is paid in a form other than a single-life annuity (with no ancillary benefits), it will be actuarially adjusted to its single-life annuity equivalent in accordance with Regulations under Code §415(b)(2)(B).

(b) If a Participant's or Terminated Participant's Annual Retirement Benefit is paid before the Participant or Terminated Participant attains age 62, the determination as to whether the dollar limitation set forth in Section 5.1(a) has been satisfied will be made, in accordance with Regulations under Code §415(b)(2)(C), by reducing the limitation specified in Section 5.1(a) so that such limitation (as so reduced) equals an annual benefit (beginning when such Annual Retirement Benefit begins) that is actuarially equivalent to a $180,000 (as indexed) Annual Retirement Benefit beginning at the Participant's or Terminated Participant's attainment of age 62.

(c) If a Participant's Annual Retirement Benefit is paid after the Participant attains age 65, the determination as to whether the dollar limitation set forth in Section 5.1(a) has been satisfied will be made, in accordance with Regulations under Code §415(b)(2)(D), by increasing the limitation of Section 5.1(a) so that such limitation (as so increased) equals an annual benefit (beginning when such Annual Retirement Benefit begins) that is equivalent to a $180,000 (as indexed) Annual Retirement Benefit beginning at the Participant's attainment of age 65.

(d) When making the benefit or limitation adjustments specified in:

(i) Sections 5.2(a) or (b), the interest rate assumption may not be less than the greater of:

(A) five percent, or

(B) the rate used to compute Actuarial Equivalents; and

(ii) Section 5.2(c), the interest rate assumption may not be greater than the lesser of:

(A) five percent, or

(B) the rate used to compute Actuarial Equivalents.

For the purpose of the foregoing adjustments, no limitation indexing under Code §415(d)(1) will be taken into account before the year for which such adjustment first takes effect.

5.3 High Three Years Compensation. For the purpose of Section 5.1(b), a Participant's or Terminated Participant's high three years will be the period of consecutive calendar years (not less than one nor more than three, and ignoring breaks in service), including fractional portions, during which the Participant or Terminated Participant received 415 Compensation from a 415 DB Plan sponsor or a 415 Affiliate (whether or not he or she was a participant in a 415 DB Plan for such period) and had the greatest aggregate:

(a) 415 Compensation from his or her 415 DB Plan sponsor or a 415 Affiliate, or

(b) in the case of an employee within the meaning of Code §401(c)(1), earned income (within the meaning of Code §401(c)(2) but determined without regard to any exclusions under Code §§872(b), 893, 894, 911, 931, and 933).

5.4 Prorating Fewer Than 10 Years.

(a) In the case of a Participant or Terminated Participant who has fewer than 10 years of participation in the 415 DB Plan, the limitation referred to in Section 5.1 will be the limitation determined under Section 5.1 (determined without regard to this Section 5.4), multiplied by a fraction:

(i) the numerator of which is the number of years (including fractional years) of participation in the 415 DB Plan; and

(ii) the denominator of which is 10.

(b) The provisions of Section 5.4(a) will apply to the limitations under Section 5.1(b), except that Section 5.4(a) will be applied with respect to years of service during which the Plan Sponsor or a predecessor was the salary-paying unit for the Participant or Terminated Participant, rather than years of participation in the 415 DB Plan. Periods during which a Participant or Terminated Participant was totally and permanently disabled within the meaning of Code §415(c)(3)(C)(i) will be credited as service for the purpose of Section 5.4(a)(i).

(c) In no event may Sections 5.4(a) or (b) reduce the limitations referred to in Section 5.1(a) to an amount less than 1/10 of such limitation (determined without regard to this Section 5.4(c)).

5.5 Defined Contribution Limits. To the extent required by Code §§403(b) and 415(c), the limits of Code §415(c) will also apply to annual increases in a Participant's or Terminated Participant's Accrued Benefit. Those limits may be found in Code §415(c) and Regulations. To the extent permitted by the Code and under rules established from time to time by the Administrator, if a Participant's Accrued Benefit in a Limitation Year is limited under this Section 5.5, the portion of such Accrued Benefit in excess of such limit will be deemed to have accrued in one or more later Limitation Years to the extent applicable limits allow.

5.6 Purpose of Limitations; Authority of Administrator. The limitations of this Section 5 are intended to comply with the requirements of Code §415 (and especially Code §415(b)), and the Regulations issued thereunder, and will be construed accordingly. To the extent that such Regulations provide for any elections or alternative methods of compliance not specifically addressed in this Section 5, the Administrator will have the authority to make or revoke such election or use such alternative method of compliance (provided that such election or alternate method is not adverse to Participants) unless such election or alternative method of compliance by its terms requires an amendment to the Program.

SECTION 6 – ACCRUED BENEFIT

6.1 Accrued Benefit Formulas. A Participant's monthly Accrued Benefit payable at Normal Retirement Date is computed according to whichever of the following Sections applies:

(a) In the case of a person receiving a benefit under the Central Conference Bishops' Plan on the day before the Effective Date, such person will retain the Accrued Benefit previously computed for such person and will continue to receive a benefit on and after the Effective Date in the same form and amount as was previously paid, subject to any annual increases awarded under Section 8.4.

(b) In the case of a Participant or Terminated Participant first consecrated as a Central Conference Bishop before the Effective Date and not covered by Section 6.1(a) above on the Effective Date:

(i) 30%, times

(ii) the sum of:

(A) such Bishop's Final Salary, plus

(B) his or her Housing Allowance,

times

(iii) in the case of a Terminated Participant, the adjustment factor, which is:

(A) Years of Service as a Central Conference Bishop, divided by 4.00, in the case of a Central Conference Bishop who:

(I) was not elected as a Bishop for life; and

(II) has served fewer than 4 Years of Service for reasons other than dying in office.

(B) 1.00, in the case of a Central Conference Bishop not described in Section 6.1(b)(iii)(A) above.

The foregoing formula may also be expressed in more mathematical terms as: 30% x (Bishop's Final Salary + Bishop's Housing Allowance) x adjustment factor. The adjustment factor only applies in cases of Terminated Participants.

(c) In the case of a Participant or Terminated Participant first consecrated as a Central Conference Bishop on or after the Effective Date:

(i) 1.5%, times

(ii) the sum of:

(A) such Bishop’s Final Salary, plus

(B) his or her Housing Allowance,

times

(iii) such Bishop’s Years of Service as a Central Conference Bishop.

The foregoing formula may also be expressed in more mathematical terms as: 1.5% x (Bishop’s Final Salary + Bishop’s Housing Allowance) x Bishop’s Years of Service as a Central Conference Bishop.

6.2 Special Situations. A Central Conference Bishop who is:

(a) Disabled for a period and who continues to receive Salary (or deemed Salary) during such period will continue to accrue Years of Service toward an Accrued Benefit under Section 6.1 until the earliest of:

(i) the date he or she is no longer Disabled;

(ii) his or her Normal Retirement Date; or

(iii) in the case of a Central Conference Bishop who is elected to a term of years after which no re-election is permitted, the end of that term; or

(b) on a Leave of Absence for a period and who continues to receive Salary (or deemed Salary) during such period will continue to accrue Years of Service toward an Accrued Benefit under Section 6.1 for such period.

Periods for which no Salary (or deemed Salary) is paid will not count toward Years of Service.

SECTION 7 - VESTING AND FORFEITURE

7.1 **Full Vesting.** A Participant's Accrued Benefit will be fully Vested at all times to the extent funded, and will not be forfeited for any reason except as provided in Section 7.2.

7.2 **Forfeitures.** Notwithstanding Section 7.1, a Recipient may forfeit an otherwise Vested Accrued Benefit in the following circumstances:

(a) *Missing Recipient*. The Accrued Benefit of a Recipient who cannot be located will be handled as described in Section 9.5.

(b) *Uncashed Check*. Any Recipient who has been issued a check for benefits due but who does not return or cash the check within a reasonable period established by the Administrator, after such reasonable notice (or in the case of very small benefit amounts, no notice) as the Administrator may determine, will forfeit such benefits. Uncashed checks returned to the Administrator because the payee is missing or for other reasons are not covered by this Section 7.2(b).

(c) *Relinquished Benefits*. If a Recipient Relinquishes a benefit payment or his or her entire Accrued Benefit, it is forfeited.

(d) *Death*. If a Participant or Terminated Participant dies without a Spouse before his or her Annuity Starting Date, all of such Participant's or Terminated Participant's Vested benefits will be forfeited except as otherwise provided in Section 9.3. A Participant, Terminated Participant, Surviving Spouse, or Beneficiary who dies will also forfeit any monthly benefits that have not already become payable to such person.

(e) *Ineligible Participant*. Benefits credited to an ineligible Participant will be forfeited once the ineligibility has been established.

(f) *Benefits in Excess of Limits*. Benefits may be forfeited in accordance with the terms of Section 5.

Any such forfeitures will remain in or be returned to the Trust under Section 4.1 and will be used to pay other benefits due under the Program.

SECTION 8 – AMOUNT OF BENEFITS

8.1 Normal Retirement. A Participant or Terminated Participant who Retires on his or her Normal Retirement Date will receive a monthly Normal Retirement Benefit equal to his or her Accrued Benefit as of his or her Normal Retirement Date, increased annually as provided in Section 8.4, and payable in accordance with the provisions of Section 9. If distribution is delayed under Section 9.2(b), such a Participant or Terminated Participant may receive a Late Retirement Benefit.

8.2 Early Retirement. A Participant who Retires on his or her Early Retirement Date or a Terminated Participant who incurs a Termination on or before his or her Early Retirement Date will receive (at his or her Annuity Starting Date) a reduced monthly Early Retirement Benefit that is the Actuarial Equivalent of his or her Accrued Benefit computed as of his or her Normal Retirement Date that is increased annually as provided in Section 8.4 and is payable in accordance with the provisions of Section 9. The amount of the reduction will be 0.5% for each month or portion of a month that such Participant's or Terminated Participant's monthly benefit begins before his or her Normal Retirement Date. If distribution is delayed under Section 9.2(b), such a Participant or Terminated Participant may receive a Normal Retirement Benefit or a Late Retirement Benefit.

8.3 Late Retirement. A Participant or Terminated Participant who Retires on his or her Late Retirement Date will receive a monthly Late Retirement Benefit equal to his or her Accrued Benefit as of his or her Late Retirement Date, as increased annually as provided in Section 8.4, and payable in accordance with the provisions of Section 9.

8.4 Annual Increases. Any amounts payable to a Participant, Terminated Participant, Surviving Spouse, or other Recipient under a 70% Pre-Retirement Survivor Benefit or a 70% Joint and Surviving Spouse Benefit will be increased annually on a Plan Year basis after they are first paid at a rate determined annually by the Plan Sponsor to reflect increased costs of living. Each such increase will be deemed an amendment to the Central Conference Bishops' Plan and will be solely within the Plan Sponsor's discretion (subject to any Code or Regulations limitations). The Plan Sponsor may elect not to increase such benefits in any one or more Plan Years, but the prior Plan Year's increase rate will apply for the next succeeding Plan Year unless the Plan Sponsor notifies the Administrator of a changed rate at least 30 days before the start of such succeeding Plan Year.

8.5 Death of Participant. If a Participant or a Terminated Participant dies before his or her Early, Normal, or Late Retirement Benefit begins and:

(a) if he or she had no Surviving Spouse, then no benefit of any kind will be payable from the Central Conference Bishops' Plan to any person; or

(b) if he or she had a Surviving Spouse, then such Surviving Spouse will be entitled to a 70% Pre-Retirement Survivor Benefit, payable in accordance with the provisions of Section 9.

If a Retired Participant or a Terminated Participant dies after his or her Early, Normal, or Late Retirement Benefit begins and leaves a Surviving Spouse, such Surviving Spouse will receive a 70% survivor benefit under the 70% Surviving Spouse Benefit. If such a Retired Participant or a Terminated Participant dies and leaves no Surviving Spouse, then no further benefit will be payable after such death.

SECTION 9 - PAYMENT OF RETIREMENT BENEFITS

9.1 Form of Payment. The following provisions are subject to Section 9.4 (relating to required minimum distributions).

(a) *Normal Form*. Except as otherwise provided in Section 9.1(b), a Participant or a Terminated Participant entitled to an Early Retirement Benefit, a Normal Retirement Benefit, or a Late Retirement Benefit will receive such benefit in the form of a 70% Joint and Surviving Spouse Benefit.

(b) *Small Benefit.*

(i) *Cash Out*. Except in the case of a Disabled Participant or a Disabled Terminated Participant, if a Participant's or a Terminated Participant's Accrued Benefit at the time of distribution, together with all other accrued benefits such Participant or Terminated Participant is entitled to receive from defined benefit plans administered by the Administrator, does not exceed $5,000 (as an Actuarially Equivalent lump sum), the entire amount of the Accrued Benefit will be distributed as an Actuarially Equivalent lump sum as soon as administratively feasible. A Disabled Participant or a Disabled Terminated Participant must consent to such distribution.

(ii) *Small Monthly Amount*. In the case of a Recipient whose benefit is not paid in accordance with Section 9.1(b)(i) above, the Administrator may establish a minimum monthly benefit amount from time to time. If the amount of such Recipient's monthly benefit from all defined benefit plans administered by the Administrator at his or her Annuity Starting Date is less than the minimum monthly amount, it will be paid in the form of a lump sum. This Section 9.1(b)(ii) will not affect the amount of such Recipient's benefit or time of payment; merely the form of payment as a lump sum. Neither the Recipient's consent nor the consent of the Recipient's Spouse will be required to pay such benefit in a lump sum.

(c) *Rollover*. If a Participant, Terminated Participant, Surviving Spouse, or Alternate Payee receives a lump sum cash-out in accordance with Section 9.1(b) before the year of his or her Required Beginning Date, such person has the right under Code §402 to direct the rollover of all or a portion of such distribution directly to an IRA, a defined contribution pension or profit-sharing trust qualified under Code §401(a), an annuity plan qualified under Code §403(a), a tax-sheltered annuity plan qualified under Code §403(b), or another "eligible retirement plan" as defined in Code §401(a)(31), that will accept such a rollover, provided that the amount so transferred must either be the entire amount of such distribution or must be at least $200.

(d) *Receiving Benefits*. Anyone receiving benefits under the Central Conference Bishops' Plan on the day before the Effective Date will continue to receive such benefits in the same form and amount on and after the Effective Date, subject to any annual increases awarded after the Effective Date as described in Section 8.4.

9.2 Time of Payment. The following provisions are subject to Section 9.4 (relating to required minimum distributions).

(a) *Distribution at Retirement*. A Participant's or Terminated Participant's Annuity Starting Date will be the Early Retirement Date, Normal Retirement Date, or Late Retirement Date on or immediately following such Participant's Retirement or such Terminated Participant's 62nd birthday, unless:

(i) the Accrued Benefit of a Participant at his or her Retirement Date or the Accrued Benefit of a Terminated Participant at his or her Termination exceeds $5,000 (as an Actuarially Equivalent lump sum), and the Participant or Terminated Participant fails to submit an accurately completed Application for Benefits to the Administrator within 60 days following such Early Retirement Date, Normal Retirement Date, or Late Retirement Date (or, in the case of a Terminated Participant, his or her 62nd birthday), in which case the payment of his or her Early Retirement Benefit, Normal Retirement Benefit, or Late Retirement Benefit will be made in accordance with Section 9.2(b); or

(ii) the Participant's or Terminated Participant's Accrued Benefit at such Retirement Date or Termination does not exceed $5,000 (as an Actuarially Equivalent lump sum), in which case the payment of his or her Accrued Benefit will be made in accordance with Section 9.2(c).

Notwithstanding the provisions of the previous sentence, such Participant's or Terminated Participant's Annuity Starting Date will be delayed if required to satisfy the conditions of Section 9.2(d).

(b) *Delayed Distribution*. If Section 9.2(a)(i) applies, the Annuity Starting Date for a Participant's or Terminated Participant's Early Retirement Benefit, Normal Retirement Benefit, or Late Retirement Benefit will be the earlier of:

(i) the date that is:

(A) the first of the month following the Administrator's acceptance of the Participant's or Terminated Participant's Application for Benefits; or

(B) such later date, if any, as is necessary to satisfy the conditions of Section 9.2(d); or

(ii) the Participant's or Terminated Participant's Required Beginning Date.

(c) *Small Benefit.* If Section 9.2(a)(ii) applies, the lump sum will be paid as soon as administratively feasible after a Participant's Retirement Date or a Terminated

Participant's Termination. In the case of any other Recipient, the lump sum will be paid as soon as administratively feasible after the amount payable is determined.

(d) *Tax Notice*. Before making any Eligible Rollover Distribution, the Administrator will furnish each Recipient with a notice describing his or her right to a direct rollover of the distribution and the tax consequences of the distribution. Such notice will be furnished not more than 180 days nor fewer than 30 days before the Recipient is entitled to receive such distribution, and no distribution will be made until 30 days after he or she has received such notice unless he or she waives such 30-day period in writing in accordance with procedures established by the Administrator.

9.3 Payments After a Participant's Death. The following provisions are subject to Section 9.4 (relating to required minimum distributions).

(a) *Distribution on Death.* On or after the death of a Participant or a Terminated Participant whose Annuity Starting Date:

(i) has already passed, further Central Conference Bishops' Plan benefits will be paid (or will cease) in accordance with the terms of the terms of the 70% Joint and Surviving Spouse Benefit; or

(ii) has not yet arrived,

(A) no benefits under the Central Conference Bishops' Plan will be payable if such Participant or Terminated Participant has no Surviving Spouse; or

(B) a 70% Pre-Retirement Survivor Benefit will be paid to such Participant's or Terminated Participant's Surviving Spouse.

(b) *Proof of Death.* The Administrator may require such proper proof of death and such evidence of the right of any person to receive payment in the form of a 70% Joint and Surviving Spouse Benefit or a 70% Pre-Retirement Survivor Benefit as the Administrator may deem appropriate. The Administrator's determination of which person will receive payment will be conclusive.

9.4 Required Minimum Distributions. Notwithstanding anything in the Central Conference Bishops' Plan to the contrary, distributions under the Central Conference Bishops' Plan will comply with Code §403(b)(10) and its provisions related to compliance with Code §401(a)(9) and the applicable provisions of any required minimum distribution Regulations issued thereunder. Such Code and Regulation provisions are hereby incorporated herein by this reference, and will control over any form of distribution or timing of distribution provided in this Program that is inconsistent therewith. To the extent that such Regulations provide for any elections or alternative methods of compliance not specifically addressed in the Central Conference Bishops' Plan, the

Administrator will have the authority to provide for such elections or alternative methods of compliance.

(a) *Time and Manner of Distribution*.

(i) *Required Beginning Date*. The Participant's or Terminated Participant’s Accrued Benefit will begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.

(ii) *Death of Participant Before Distributions Begin*. If the Participant or Terminated Participant dies before a distribution to the Participant or Terminated Participant begins, the Participant's or Terminated Participant’s Accrued Benefit will begin to be distributed in the form of a 70% Pre-Retirement Surviving Spouse Benefit to his or her Surviving Spouse, if any, no later than December 31 of the later of:

(A) the calendar year immediately following the calendar year in which the Participant died; or

(B) the calendar year in which the Participant would have attained age 70½.

If the deceased Participant or Terminated Participant is not survived by a Surviving Spouse, then no further benefit is payable to anyone.

(iii) *Lump Sum*. If the Participant or Terminated Participant dies before a distribution to the Participant or Terminated Participant begins and if such Participant’s or Terminated Participant’s Accrued Benefit is to be distributed in a lump sum under Section 9.1(b), the Participant's or Terminated Participant’s Accrued Benefit will be distributed in the form of a lump sum to his or her Surviving Spouse, if any, no later than December 31 of the calendar year containing the fifth anniversary of the Participant's or Terminated Participant’s death. To satisfy the foregoing sentence, neither a Disabled Participant nor a Disabled Terminated Participant will need to give consent to a distribution in a lump sum, notwithstanding Section 9.1.

(iv) *Death of Participant After Distributions Begin*. If the Participant or Terminated Participant dies after a distribution to the Participant or Terminated Participant begins, the Participant's or Terminated Participant’s Surviving Spouse, if any, will immediately receive a 70% survivor benefit under the 70% Pre-Retirement Surviving Spouse Benefit form of payment. When the Surviving Spouse dies or if there is no Surviving Spouse at the death of the Participant or Terminated Participant, then no further benefit is payable to anyone.

(b) *Monthly Benefit Requirements*.

(i) *General Requirements*. If a Participant's interest is paid in the form of a monthly or periodic distribution under the Central Conference Bishops' Plan, payments must satisfy the following requirements:

(A) the distribution must be paid in periodic payments made at intervals not longer than one year;

(B) the distribution period must be over a life (or the lives) of a Participant or Terminated Participant and/or his or her Surviving Spouse); and

(C) payments will either be non-increasing or will increase only as follows:

(I) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;

(II) to pay increased benefits that result from a Program amendment; or

(III) by an annual percentage increase that complies with any other applicable Regulation.

(ii) *Amount Required to be Distributed by Required Beginning Date*. The monthly benefit amount that must be distributed on or before a Participant's or Terminated Participant's Required Beginning Date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Section 9.4(a)(ii)) is at least one monthly benefit payment. Further monthly benefits must be paid regularly thereafter.

(c) *Additional Accruals After First Distribution Calendar Year*. The distribution of any additional benefits accruing to a Participant in a calendar year after the first Distribution Calendar Year must begin no later than the calendar year immediately following the calendar year in which such benefit accrues.

9.5 Unclaimed Benefits. The Administrator may prescribe uniform and nondiscriminatory rules for carrying out the following provisions:

(a) If a portion (or all) of a 70% Pre-Retirement Survivor Benefit or a 70% Joint and Surviving Spouse Benefit remains to be distributed to a Recipient at a time when it is due under the Program (including, but not limited to, the Required Beginning Date) and the Administrator is then unable to locate the Recipient, the Administrator will send notice of such benefit due by a certified letter with return receipt requested or by overnight delivery service to the last known address of the Recipient. If the Recipient fails to contact the Administrator within 12 months, the Recipient will be presumed dead and such benefit will be forfeited (except as provided in Section 9.5(c) below) and will become the benefit of the next Recipient in line, if any, (except as provided in Section 9.5(b) below) in accordance with the applicable form of payment.

(b) If the last successor Recipient fails to contact the Administrator within 12 months after being sent notification of a benefit due as provided in Section 9.5(a), then the amount specified in Section 9.5(a) will be forfeited. Such forfeitures will remain in the Trust described in Section 4.1 to fund other benefits payable under the Program.

(c) If, at any time before the expiration of the 12-month period described in Section 9.5(b), a Recipient who is or was due a benefit described in Section 9.5(a) claims the benefit, the benefit will be paid to such Recipient (notwithstanding any previous forfeiture) if it has not previously been paid to another Recipient. If a benefit has been paid to a successor Recipient, the forfeiture as to all predecessor Recipients will become permanent. If the 12-month period described in Section 9.5(b) has elapsed, then such benefit will be permanently forfeited and will remain in the Trust described in Section 4.1 to fund other benefits payable under the Program.

9.6 Payment with Respect to Incapacitated Recipients. Whenever, in the Administrator's opinion, a person entitled to receive any payment of a benefit under the Program is under a legal disability (including being a minor) or is incapacitated in any way so as to be unable to manage such person's financial affairs, the Administrator may direct the Trustee to make payments directly to the person, to the person's legal representative (including a custodian for such person under the applicable Uniform Gifts or Transfers to Minors Act or similar legislation), or to a relative or friend of the person to be used exclusively for such person's benefit, or apply any such payment for the benefit of the person in such manner as the Administrator deems advisable. The decision of the Administrator, in each case, will be final, binding, and conclusive upon all persons interested hereunder. The Administrator will not be obligated to see to the proper application or expenditure of any payment so made. Any benefit payment (or installment thereof) made in accordance with the provisions of this Section 9.6 will completely discharge the obligation for making such payment under the Program, and the Administrator will have no further liability on account thereof.

9.7 Limitation on Liability for Distributions. All rights and benefits, including benefit elections, provided to a Participant or Terminated Participant under this Program will be subject to the rights afforded to any Alternate Payee under a QDRO. Further, a distribution to an Alternate Payee will be permitted if such distribution is authorized by a QDRO, even if the affected Participant or Terminated Participant has not Terminated or attained any particular age.

9.8 Relinquishment. Any Recipient may Relinquish any benefit or portion thereof that is due to him or her under the Program if it is done in writing in a form acceptable to the Administrator and before receiving it. The Relinquishment will be effective for any monthly benefit payments due after it is made, will remain in effect in accordance with its terms for future benefit payments (until revoked), and may be revoked at any time (prospectively only), in accordance with rules or procedures adopted from time to time by the Administrator, as to monthly benefits not yet due. Relinquished monthly benefits will be handled in accordance with Section 7.2.

SECTION 10 - PLAN ADMINISTRATION

10.1 General Fiduciary Standard of Conduct. Each fiduciary under this Program will discharge his or her duties hereunder solely in the interest of the Recipients under the Program and for the exclusive purpose of providing benefits to the Recipients under the Program and defraying the reasonable expenses of administering the Program and the Trust. Each fiduciary will act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims, in accordance with the documents and instruments governing the Program and the Trust, insofar as such documents and instruments are consistent with this standard.

10.2 Allocation of Responsibility Among Fiduciaries. The fiduciaries will have only those specific powers, duties, responsibilities, and obligations specifically delegated to them under this Program. The Plan Sponsor, the Administrator, the Trustee, and any investment manager will each be a fiduciary to the extent that such entity determines benefits payable under the Program or controls or influences the investment of the assets of the Program. The Administrator may delegate fiduciary duties (other than the Trustee's duties) to persons other than the fiduciaries specified in the preceding sentence, and may approve any allocation of fiduciary duties among fiduciaries. If there is more than one fiduciary or Trustee, they may enter into agreements among themselves with respect to the allocation of their fiduciary responsibilities, with the consent of the Administrator. ERISA will not apply to this Program if, when, and for so long as it qualifies as a Church Plan.

10.3 Administrator. The Administrator of the Program is GBOPHB. The Administrator is the "plan administrator" as defined in Code §414(g). The Administrator has the duty to accept service of legal process and any other notices for the Program. The Administrator or the Plan Sponsor will furnish each Participant with a summary plan description or other summary of the Program. The Administrator may resign on reasonable written notice given to the Plan Sponsor, who will then (and only then) have the right to appoint another Administrator.

10.4 Powers and Duties of Administrator. The primary responsibility of the Administrator is to administer the Program for the exclusive benefit of the Recipients, subject to the terms of the Program. The Administrator will administer the Program in accordance with its terms and will have the power and discretion to construe the terms of the Program and to determine all questions arising in connection with the administration, interpretation, and application of the Program. Any such determination by the Administrator will be conclusive and binding upon all persons. The Administrator, in addition to all powers and authorities under common law, statutory authority, and other provisions of the Program, will have the following powers and authorities, to be exercised in the Administrator's sole discretion:

(a) to establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as may be deemed necessary or advisable to carry out the purposes of the Program;

(b) to determine all questions relating to the eligibility of a Bishop to participate in or remain a Participant in, or to receive benefits under, the Program;

(c) to compute, certify, and direct the Trustee with respect to the amount and the kind of benefits to which any Recipient may be entitled hereunder and to prescribe procedures to be followed by Recipients when applying for benefits;

(d) in its sole discretion, to construe and interpret the Program and to make and publish such administrative rules or regulations relating to the Program as are consistent with the terms hereof, and to resolve or otherwise decide matters not specifically covered by the terms and provisions of the Program;

(e) to maintain all necessary records for the administration of the Program;

(f) to file, or cause to be filed, all such annual reports, returns, schedules, descriptions, financial statements, and other statements as may be required by any federal or state statute, agency, or authority;

(g) to obtain from the Plan Sponsor, Bishops, and Recipients, such information as may be necessary to the proper administration of the Program;

(h) to specify actuarial assumptions and methods for use in determining contributions to and benefits under any part of the Program;

(i) to assist any Recipient to understand his or her rights, benefits, or elections available under the Program;

(j) to construe and interpret the provisions of the Program; to decide the validity of any election or designation made under the Program, and the amount, manner, and time of any allocation to accounts or payment of any benefits hereunder; and to make factual determinations necessary or appropriate for such decisions or determinations;

(l) to prepare and distribute information explaining the Program;

(m) to appoint or employ advisors, including legal and actuarial counsel (who may also be counsel to the Trustee or the Administrator), to render advice with regard to any responsibility of the Administrator under the Program or to assist in the administration of the Program;

(n) to select annuity providers to provide benefits from the Program;

(o) to designate in writing other persons to carry out a specified part or parts of its responsibilities hereunder (including this power to designate other persons to carry out a part of such designated responsibility). Any such designation must be accepted by the designated person who must acknowledge in writing that he, she, or it is a fiduciary with respect to the Program. Any such person may be removed by the Administrator at any time with or without cause;

(p) to adopt reasonable procedures for determining whether any order, judgment, or decree constitutes a QDRO and to notify the Participant or Terminated Participant, and all Alternate Payees, as to the results of its determination;

(q) to the extent permitted under the Trust Agreement, direct the Trustee with respect to the investments of the Trust;

(r) to furnish the Plan Sponsor, upon request, with such reports with respect to the administration of the Program as are reasonable and appropriate;

(s) to receive, review, and keep on file (as it deems convenient and proper) reports of benefit and expense payments made under the Program; and

(t) to do all other acts that the Administrator deems necessary or proper to accomplish and implement its responsibilities under the Program.

Any rule or procedure adopted by the Administrator, or any decision, ruling, or determination made by the Administrator, in good faith and in accordance with applicable fiduciary standards will be final, binding, and conclusive on the Plan Sponsor, all Recipients, and all persons claiming through them. The Administrator has discretionary authority to grant or deny benefits under this Program. Benefits under this Program will be paid only if the Administrator decides in its discretion that the applicant is entitled to them. Rules and procedures adopted by the Administrator may vary any provision of the Program that is administrative or ministerial in nature (including the time provided for performing any act, if not required by law), without the necessity of a formal amendment.

10.5 Records and Reports. The Administrator will keep a record of all actions taken and will keep all other books of account, records, and other data that may be necessary for the proper administration of the Program and will be responsible for supplying all information and reports to appropriate government entities, Recipients, and others as required by law.

10.6 Duties of the Plan Sponsor. The Plan Sponsor has the following duties with respect to the Program:

(a) to determine eligibility and enroll Bishops as provided in the Program within 60 days of satisfying the eligibility requirements of the Program;

(b) to maintain records of a Participant's Service;

(c) to provide the Administrator with notice within 90 days of a Participant's Termination or Retirement;

(d) to calculate and maintain records of a Participant's Salary and to provide to the Administrator upon request with appropriate records reflecting such Salary;

(e) to remit contributions to the Trustee as needed to reasonably fund the Program;

(f) to provide the Administrator with the statistical data and other statistical information satisfactory to the Administrator, within a reasonable time after a request by the Administrator, sufficient to enable the Administrator to discharge its duties under the Program;

(g) to comply with any nondiscrimination or other government testing that may be required by applicable law; and

(h) to properly notify Bishops of their rights and obligations under the Program (including notice of their eligibility under the Program).

10.7 Fees and Expenses. All expenses incurred by the Administrator and Trustee in connection with the administration of the Program will be paid by the Program or the Trust.

(a) The Administrator has the authority to determine administrative and expense charges and the methods for applying such charges.

(b) The Trustee is authorized to deduct from the Program's reserves, funds, contributions, and/or earnings thereon, the expenses and fees necessary or appropriate to the investment and administration of the Program's assets, including an allocable share of the Administrator's operating expenses.

(c) The Administrator is authorized to determine a reasonable charge for providing non-routine reports and services for the Plan Sponsor and Recipients, and to require the Plan Sponsor and Recipients to pay separately for such non-routine reports and services.

Upon request by the Plan Sponsor within 60 days after the close of any Plan Year, the Administrator and/or the Trustee will furnish to the Plan Sponsor an accounting of all the Administrator's and/or Trustee's expenses and fees, of whatever kind, that were charged to the Program or the Trust in such Plan Year.

10.8 Attorney Fees and Costs. The Administrator or the Trustee may assess, to the extent permitted by law, against the Program's or Trust's assets, reasonable attorney fees and charges to reimburse the Administrator or Trustee for expenses incurred by the Administrator or Trustee in responding to pleadings, retaining counsel, entering an appearance, or defending any case in any action at law, if the Administrator or Trustee is served with a levy, subpoena, summons, or other similar pleading by the Internal Revenue Service, any governmental entity, or any other party, including the parties to marital litigation, in litigation or legal proceedings involving the Administrator or Trustee, whether or not the Administrator or Trustee is a party.

10.9 Delegation of Authority. The Administrator may authorize one or more of its number, or any agent, to carry out its administrative duties, and may employ such counsel, auditors, and other specialists and such clerical, actuarial, and other services as it may require in carrying out the provisions of this Program. The Administrator may rely on any certificate, notice, or direction, oral or written, purporting to have been signed or communicated on behalf of the Plan Sponsor, a Recipient, or any others that the Administrator believes to have been signed or communicated by persons authorized to act on behalf of the Plan Sponsor, a Recipient, or others, as applicable. The Administrator may also rely on any power of attorney, guardianship document, or similar document that it believes to be genuine and operative. The Administrator may request instructions in writing from the Plan Sponsor, a Recipient, or others, as applicable, on other matters, and may rely and act thereon. The Administrator may not be held responsible for any loss caused by its acting upon any notice, direction, or certification of the Plan Sponsor, a Recipient, or others, that the Administrator reasonably believes to be genuine and communicated by an authorized person.

10.10 Indemnification by the Plan Sponsor. The Plan Sponsor indemnifies the Administrator, the Trustee, and any other person or persons to whom the Plan Sponsor, the Administrator, or the Trustee has delegated fiduciary or other duties under the Program for, and holds them harmless from and against, any and all claims, damages, liabilities, losses, costs, and expenses (including reasonable attorneys fees and all expenses reasonably incurred in their defense if the Plan Sponsor fails to provide such defense) of whatsoever kind and nature that may be imposed on, incurred by, or asserted against them at any time by reason of their service under the Program or the Trust, unless the same is determined to be due to gross negligence, willful misconduct, or willful failure to act. This provision will survive the termination of the Program and the termination of the Plan Sponsor's sponsorship of the Program as to events that occurred while the Plan Sponsor was sponsoring the Program.

10.11 Claims Procedure. The following claims and appeals procedures are subject to any additional rules or procedures that the Administrator may adopt from time to time that are not inconsistent herewith:

(a) *Filing of Claim.* A claim for benefits under the Program must be filed by a Claimant with the Administrator on a form supplied by the Administrator within one year after the later of:

(i) the events giving rise to the claim occurred, or

(ii) the Claimant knew or should have known of the facts or events giving rise to the claim,

or the Claimant will be deemed to have waived his or her right to make a claim or to pursue any other remedy, including filing a lawsuit. Notwithstanding the foregoing, a Recipient is not required to apply for or begin the receipt of benefits under the Program until his or her Required Beginning Date. Written notice of the disposition of a claim will be sent to the Plan Sponsor and to the Claimant within 45 days after all required forms and materials related to the claim have been filed. If special circumstances require an extension of time, written notice of the extension will be furnished to the Claimant, and written notice of the disposition of a claim will be sent within an additional 90 days.

(b) *Denial of Claim.* If any claim for benefits under the Program is wholly or partially denied, the Administrator will send the Claimant written notice of the denial, within the period specified in Section 10.11(a) above, written in a manner calculated to be understood by the Claimant, setting forth the following information:

(i) the specific reasons for such denial;

(ii) specific reference to pertinent Program provisions on which the denial is based;

(iii) a description of any additional material or information necessary for the Claimant to perfect the claim and an explanation of why such material or information is necessary; and

(iv) an explanation of the Program's appeals procedures.

(c) *Appeal of Denial.* If a Claimant is denied benefits under Section 10.11(b), the Claimant has the right to appeal the decision within 90 days after the date of the claim denial, in accordance with the following procedures:

(i) *Intermediary Appeal Procedure*. The Administrator will establish an intermediary appeals procedure containing no more than a three-level process.

(ii) *Final Appeal Procedure*.

(A) If the Claimant wishes to appeal the denial of benefits under Section 10.11(c)(i), the Claimant must file with the Final Appeals Committee a written appeal and supporting documents, using any form required by the Administrator for the purpose, within 90 days after the date of the denial issued under Section 10.11(c)(i). Such an appeal may be addressed to the Administrator or in care of the person or persons specified in the notice of denial issued under Section 10.11(c)(i).

(B) A timely filed appeal will be heard by the Final Appeals Committee at its next meeting, unless additional time is needed for processing, in which case the Claimant will be so notified and the appeal will be heard at the following meeting of the Final Appeals Committee. Appeals or documents filed fewer than 30 days before the next meeting of the Final Appeals Committee will not be considered by the Final Appeals Committee except by its leave and in its discretion.

(C) The Claimant or a representative of the Plan Sponsor may request permission to appear personally or by teleconference before the Final Appeals Committee to present evidence with respect to the claim, subject to conditions and time limitations set by the Final Appeals Committee, but the expense for any such personal appearance must be borne by the Claimant or the Plan Sponsor.

(D) The Final Appeals Committee will decide a Claimant's appeal, and its decision will be final. The decision will be implemented by the Administrator.

(E) The Claimant will be given written notice of the decision on appeal. If the decision is a denial, such notice will include specific reasons for the decision, written in a manner calculated to be understood by the Claimant, and specific references to the pertinent Program provisions on which the decision is based. Such written notice will be mailed to the Claimant by the Administrator within 15 days following the decision by the Final Appeals Committee.

(iii) *Appeals Committees*.

(A) The Appeals Intermediary is a committee appointed by the Administrator.

(B) The Final Appeals Committee of the Administrator is a committee of the Board of Directors of the Administrator that is selected from time to time by that Board.

(C) Each of the Appeals Intermediary and the Final Appeals Committee may develop rules and procedures to govern its own meetings and actions and the filing and decision of claim appeals by Claimants.

(D) Any failure by either appeals committee to decide a claim appeal by the deadline for such a decision will be deemed a denial of the claim. The Claimant may then proceed to the next step of the procedure.

(E) Any failure by the Claimant to appeal any claim denial by the deadline for doing so will be deemed to be a final resolution of the claim, and the Claimant will be deemed to have waived his or her right to file an appeal or a further appeal or to pursue any other remedy, including filing a lawsuit.

(d) *Appeal a Condition Precedent to Civil Action.* No cause of action in civil law with respect to any alleged violation of the terms and conditions of this Program may be commenced or maintained by any Claimant or Recipient, unless and until such Claimant or Recipient has initiated and completed the claim and appeal process as set forth in Sections 10.11(a) and (c). Any such cause of action must be filed with a court of competent jurisdiction within six months after the date on the written notice of denial described in Section 10.11(c)(ii)(E) or such cause of action will be deemed waived, provided, however, that such six-month limit will apply only if it is described in such notice of denial.

10.12 Qualified Domestic Relations Orders. The provisions of Section 11.2 notwithstanding, all or part of a Participant's Vested benefits arising under this Program may be transferred to one or more Alternate Payees on the basis of a "qualified domestic relations order," as that term is defined in Code §414(p), provided that: (1) such order was issued by a court having jurisdiction over the Administrator; or (2) such order was entered by any other court and the Administrator, in its sole discretion, determines that the order is a QDRO. In the case of a Central Conference Bishop residing outside of the United States, an agreement signed by the Central Conference Bishop and his or her Spouse or former Spouse may be treated as a court order, even if not promulgated by a court, in the discretion of the Administrator. If the Administrator does treat such an agreement as a court order, then the rest of the provisions of this Section 10.12 will apply based on that assumption.

(a) When appropriate, the Administrator will provide a Participant or Terminated Participant or a prospective Alternate Payee involved in marital litigation with information regarding the nature and value of the Participant's or Terminated Participant's benefits and will assist the Participant or Terminated Participant and the court in interpreting that information.

(b) The Administrator will establish a written procedure to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders. Such procedure will provide that during the period in which a determination is being made with respect to the qualified status of an order received by the Administrator and for at least 30 days thereafter:

(i) the Administrator will direct the Trustee to segregate and separately account for any sums payable to the Participant or Terminated Participant that the order requires to be paid to the Alternate Payee; and

(ii) the Participant or Terminated Participant will be prohibited from electing to receive any distribution that would compromise the rights granted to the Alternate Payee by the order, without the Alternate Payee's written consent.

(c) Neither the Alternate Payee nor any person claiming through the Alternate Payee will have the right to transfer benefits to another Alternate Payee. The benefits transferred pursuant to a QDRO will be administered in accordance with the provisions of this Program. With respect to benefits transferred to an Alternate Payee pursuant to this Section 10.12, the Alternate Payee will have all of the rights and duties of a fully Vested Participant who has incurred a Termination of Employment, to the exclusion of any claim thereto on the part of the Participant.

(d) A subpoena or other instrument of judicial process that:

(i) is directed to the Administrator, its constituent corporations, or its officers or employees;

(ii) appears on its face to be issued in the course of marital litigation to which a Participant or Terminated Participant is a party; and

(iii) seeks information regarding the nature or value of the Participant's or Terminated Participant's pension benefits, may be honored by the Administrator, in its sole discretion, without interposing any defense on the grounds of technical or jurisdictional defect.

(e) The Administrator may charge to the Program its costs of handling QDROs, including, but not limited to, attorneys' fees, litigation expenses, and a reasonable charge for its services in connection therewith.

SECTION 11 - GENERAL PROVISIONS

11.1 Rules and Forms. The Administrator will have the authority and responsibility to:

(a) adopt rules, regulations, and policies for the administration of this Program, in all matters not specifically covered by General Conference legislation or by reasonable implication; and

(b) prescribe such forms and records as are needed for the administration of the Program.

11.2 Non-Alienation of Benefits. No benefits payable at any time under the Program will be subject in any manner to alienation, sale, transfer, pledge, attachment, garnishment, or encumbrance of any kind, except as provided below. Any attempt to alienate, sell, transfer, assign, pledge, or otherwise encumber such benefit, whether presently or thereafter payable, will be void, except as provided below. No benefit nor any fund under the Program will in any manner be liable for, or subject to, the debts or liabilities of any Recipient or other person entitled to any benefit, except:

(a) as provided in Section 10.12 (relating to QDROs);

(b) to the extent of a levy in favor of the IRS, as permitted by Regulations;

(c) for the payment of retiree or Disabled Participant health plan premiums;

(d) to the extent that such Recipient has received an overpayment under any other plan administered by the Administrator; and

(e) to the extent that such Recipient has made a voluntary and revocable assignment:

(i) in a writing filed with, and accepted by, the Administrator;

(ii) that is acceptable to the Administrator; and

(iii) after such assigned benefit is due and payable under the terms of the Program, including the making of any elections and submission of any applications required of the Recipient.

11.3 English Language. The official language of the Program, and any communications relating to it, is English. The Administrator is not required to translate any written or oral communications into any other language. Even if a communication is translated, however, the controlling language for the interpretation of the communication and the Program is English, regardless of any interpretation resulting from the translation.

11.4 Construction. The Program and each of its provisions will be construed under, and their validity determined by, the laws of the State of Illinois, other than its laws respecting choice of law, to the extent such laws are not preempted by any federal law of the United States of America.

11.5 Limitation of Liability. All benefits hereunder are contingent upon, and payable solely from the assets of the Trust, which derive from such contributions as may be made by the Plan Sponsor and the investment results of such contributions. No financial obligations, other than those that can be met by the contributions actually received and the investment results, reduced by any of the Administrator's and Trustee's expenses or charges against the Trust's assets, will be assumed by the Administrator or the Trustee. To the extent that assets of the Program attributable to a Recipient have been transferred to a separate dedicated insurance contract, all benefits to which the Recipient is entitled under the Program will be provided only out of such insurance contract and only to the extent the insurance contract is adequate therefor. Neither the Administrator, the Trustee, nor the Plan Sponsor, nor their officers, employees, contractors, or agents will be personally responsible or otherwise liable for the payment of any benefits hereunder.

11.6 Alternative Dispute Resolution. If a dispute arises out of or related to the relationship between the Plan Sponsor and the Administrator or the Trustee, the parties agree first to try in good faith to settle the dispute by mediation through the American Arbitration Association, or another mediation/arbitration service mutually agreed upon by the parties, before resorting to arbitration. Thereafter, any remaining unresolved controversy or claim arising out of or relating to the relationship between the Plan Sponsor and the Administrator or Trustee will be settled by binding arbitration through the American Arbitration Association, or the other mediation/arbitration service mutually agreed upon by the parties.

(a) The site of the mediation and/or arbitration will be in a city mutually agreed to by the parties.

(b) The laws of the State of Illinois will apply in situations where federal law is not applicable. The applicable rules of the selected arbitration service will apply. If the service allows the parties to choose the number of arbitrators, unless another number is mutually agreed to, any arbitration hereunder will be before three arbitrators. The award of the arbitrators, or a majority of them, will be final. Judgment upon the award rendered may be entered in any court, state or federal, having jurisdiction.

(c) The fees and costs for mediation will be borne equally by the parties. The fees and costs of arbitration will be allocated to the parties by the arbitrators.

11.7 Titles and Headings. The titles and headings of the Sections of this instrument are placed herein for the convenience of reference only, and in the case of any conflicts, the text of this Program, rather than the titles or headings, will control.

11.8 Number and Gender. Wherever used herein, the singular includes the plural and the plural includes the singular, except where the context requires otherwise. Similarly, the male includes the female and vice versa.

11.9 USERRA. Notwithstanding any provision of the Program to the contrary, contributions, benefits, and Service credit with respect to qualified military service will be provided in accordance with Code §414(u), where applicable.

11.10 Participant and Surviving Spouse Duties. Each person entitled to benefits under the Program must file with the Administrator and the Plan Sponsor from time to time such person's post office address and each change of post office address. Failure to do so may result in the forfeiture of benefits otherwise due under the Program.

11.11 Adequacy of Evidence. Evidence that is required of anyone under the Program must be executed or presented by proper individuals or parties and may be in the form of certificates, affidavits, documents, or other information that the person acting on such evidence considers pertinent and reliable.

11.12 Notice to Other Parties. A notice mailed first class, postage prepaid, to a Recipient at his or her last address filed with the Administrator will be binding on the Recipient for all purposes of the Program and will be deemed given on the date on the notice or letter. A claim for benefits or other notice mailed first class, postage prepaid, from a Recipient to the Administrator will be deemed given on the date of the postmark. Notice may be addressed to the Administrator at the following address (or such other address as the Administrator may designate from time to time):

Administrator of the Global Episcopal Pension Program
General Board of Pension and Health Benefits of The United Methodist Church
1201 Davis Street
Evanston, IL 60201-4182

11.13 Waiver of Notice. Any notice under the Program may be waived by the person entitled to notice. Waiver of notice in one instance, however, will not be deemed to be a waiver in a later instance.

11.14 Successors. This Program is binding on the Plan Sponsor, and on all persons entitled to benefits hereunder, and their respective successors, heirs, and legal representatives.

11.15 Severability. If any provision of the Program is held illegal or invalid for any reason, such illegal or invalid provision will not affect the remaining provisions of the Program, and the Program will be construed and enforced as though such illegal or invalid provisions had never been contained in the Program.

11.16 Supplements. The Program may be amended from time to time as provided in Section 12 by adding one or more Supplements to the Program to address special situations not applicable to all Bishops or Recipients. Any such Supplement will specify the persons covered and any special rules or benefits related to them. To the extent that any such rules or benefits are in conflict with the general provisions of the Program, such rules or benefits will supersede the general provisions of the Program as to the persons covered by the Supplement to the extent they are in conflict with such general provisions. Except as otherwise provided in a Supplement, all of the provisions of the Program will apply to the persons covered by the Supplement.

SECTION 12 – AMENDMENT AND TERMINATION OF PROGRAM

12.1 Amendment.

(a) *General Conference*. General Conference may amend prospectively or retroactively any or all provisions of the Program at any time by written instrument identified as an amendment of the Program, effective as of a specified date.

(b) *The Plan Sponsor*. The Plan Sponsor, in consultation with the Administrator, may amend prospectively or retroactively any or all provisions of the Program at any time, effective as of a specified date:

(i) to conform the Program to any applicable law and/or regulations promulgated thereunder; and

(ii) to conform the Program to the Discipline or changes therein.

12.2 Termination of Program. General Conference may terminate the Program at any time in a manner and to the extent not inconsistent with applicable law. Upon termination of the Program, the benefits of Recipients will be nonforfeitable and will be either distributed outright or held for distribution in accordance with the terms of the Program. The assets remaining in the Program after all obligations of the Program have been satisfied will revert to the Plan Sponsor.

Supplement One
to the
Global Episcopal Pension Program

PRIOR PLAN

SECTION S1.1 – THE FROZEN PLAN

S1.1.1 Defined Terms. As used in this Prior Plan, capitalized terms, including acronyms, have the meanings set forth in Section 2. When not set forth in that Section, capitalized and non-capitalized terms have the meanings set forth in predecessor plans or the meanings given to them in the Discipline or a dictionary of general usage.

S1.1.2 Administrative Provisions. The administrative provisions of Sections 1, 4, 5, 7, 9, 10, 11, and 12 of the Program apply to this Supplement One except where the terminology or context otherwise requires.

S1.1.3 History. The history of the Prior Plan is described in Section 1.2.

S1.1.4 Frozen Plan. The Prior Plan covered only Jurisdictional Bishops with service before January 1, 1982. All eligible Jurisdictional Bishops or their Surviving Spouses who were receiving Prior Plan benefits on the day before the Effective Date will continue to receive Prior Plan benefits on and after the Effective Date. Those benefits are stated in Section S1.2. Section S1.2 also identifies Surviving Spouses who will be entitled to benefits after the death of the Bishops to whom they are married. No other Bishops, Surviving Spouses, or other persons are entitled to Prior Plan benefits, other than those specified in Section S1.2.

SECTION S1.2 - BENEFITS

S1.2.1 Eligible Recipients. Only:

(a) a Retired or Terminated Jurisdictional Bishop listed as a Pension Recipient in Appendix A;

(b) a Surviving Spouse of a deceased Jurisdictional Bishop, which Surviving Spouse is listed as a Pension Recipient in Appendix A; and

(c) a Surviving Spouse of a Jurisdictional Bishop identified in Section S1.2.1(a) above who dies on or after the Effective Date, which Surviving Spouse is listed as a Qualifying Spouse of Bishop Recipient in Appendix A

are entitled to Prior Plan benefits. Notwithstanding anything in the previous sentence to the contrary, only the individuals listed in Appendix A are eligible to receive Prior Plan benefits.

S1.2.2 Benefit Amount. The Recipients listed in Appendix A are entitled to the monthly benefit amounts listed in Appendix A as of the Effective Date. Each Plan Year after the Effective Date, such monthly benefit amounts will be increased at the rate of 3% per Plan Year. When a Retired or Terminated Jurisdictional Bishop listed in Appendix A dies, his or her Surviving Spouse, if he or she has a Surviving Spouse listed in Appendix A, will receive a Prior Plan monthly benefit in the amount of 80% of the amount previously paid monthly to the Retired or Terminated Jurisdictional Bishop. Such Surviving Spouse will also be entitled to cost of living increases annually thereafter on the same basis as described above.

S1.2.3 Benefit Termination. Any Recipient identified in Section S1.2.1 will cease receiving monthly benefits under the Prior Plan as of the date of such person’s death.

S1.2.4 Funding. Funding of the Prior Plan is as described in Section 4.

APPENDIX A

[To assure information current as of the Effective Date of the Program, the following table will be completed as of that date by the Administrator.]

Pension Recipient	**Classification (Bishop or Surviving Spouse)**	**Qualifying Spouse of Bishop Recipient**	**Pension Amount at Effective Date**