A Guide to International Clergy Benefits

Rules in effect as of January 1, 2019
Revised as of March, 2019

CHURCH PENSION FUND
Passionate About Our Purpose

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Dear Friends:

Whether retirement is a distant dream, a next step, or a pleasant reality, The Church Pension Fund (CPF) is here to help you achieve financial security throughout your ministry and in retirement.

Reaching the goal of a dignified retirement requires both planning and partnership. We can help you plan. When we work actively together, CPF can be your informed and caring partner because we know the complex ins and outs of your benefits package, and we have your best interests at heart.

As this Guide makes clear, your participation in the International Clergy Pension Plan (ICPP) offers you much more than a pension benefit. It also ensures that you will have access to financial resources to help you and your family navigate different life events.

We hope you find this overview of the ICPP and related plans useful. As questions arise, please contact us or visit our offices when you find yourself in New York. You can reach us at (866) 802-6333, Monday – Friday, 8:30AM – 8:00PM ET (excluding holidays) or at *benefits@cpg.org*. We are here to help.

Faithfully,

Mary Kate Wold

Mary Kate Wold
CEO and President
The Church Pension Fund

About The Church Pension Fund and This Guide

- The Church Pension Fund (CPF) offers administrative support in providing pension and other benefits to eligible clergy serving in the non-domestic dioceses of the Episcopal Church as well as certain dioceses in the Anglican Communion that are part of Iglesia Anglicana de la Región Central de América (IARCA). For ease of administration, the individual pension arrangements for these dioceses have been combined into a single, multiple employer plan, which is known as the International Clergy Pension Plan. The International Clergy Pension Plan is a non-qualified plan and is not subject to section 401(a) or 409A of the United States Internal Revenue Code of 1986, as amended. In addition, as a church plan, the International Clergy Pension Plan is not subject to the Employee Retirement Income Security Act of 1974, as amended.
- This Guide to International Clergy Benefits (Guide) is designed to help you understand the provisions of the International Clergy Pension Plan and other benefit plans available as of January 1, 2019. This Guide should not be viewed as investment, tax, or other advice. To request information describing plan provisions in effect prior to January 1, 2019, please contact our *Client Services* group.
- You will note that certain terms are capitalized throughout this Guide, which means they are proper names or are defined in our *Glossary of Terms*. Other more commonly used terms, such as eligible spouse or eligible child, also appear in our Glossary of Terms because they have a very specific definition under the International Clergy Pension Plan and/or other benefit plans.
- This Guide uses “you” and “your” when referencing an Episcopal or IARCA cleric who is eligible to participate in the International Clergy Pension Plan and the other benefit plans described in this Guide.
- This Guide describes the benefits available to eligible Episcopal and IARCA clergy who work their entire career in a non-domestic diocese of the Episcopal Church or a diocese of IARCA, respectively. Clergy who serve in both domestic and non-domestic dioceses of the Episcopal Church should contact our Client Services group for information about their benefits as different rules apply.
- This Guide is the official plan document for the International Clergy Pension Plan and will govern that plan. The official plan documents for the other benefits provided by CPF will govern those other benefits. (See page 3 for a complete list of the other benefit plans.) In the event of a conflict between this Guide and the official plan documents, the terms of the official plan documents will apply.
- Individual situations may differ from those described in this Guide. If you would like to discuss your specific circumstances, please contact our *Client Services* group.

International Clergy Pension Plan

About the International Clergy Pension Plan

The International Clergy Pension Plan is provided to (1) clergy who are canonically resident in a diocese of the Episcopal Church and serving in a non-domestic diocese of the Episcopal Church,[1] (2) clergy who are canonically resident in a diocese of IARCA,[2] (3) their eligible surviving spouses or other named beneficiaries, and (4) their eligible children. The plan is designed to offer a dependable source of income replacement in retirement.

This is a non-qualified defined benefit pension plan, which provides a benefit based on a predefined formula that takes into account your years of service with the Episcopal Church or IARCA and compensation history. Benefits are funded by employer contributions called *Assessments* (although there are certain limited circumstances when you may contribute yourself).

If you participate in the International Clergy Pension Plan, you, your eligible spouse, eligible children, or other eligible designated beneficiaries may also receive benefits provided by CPF under the following related plans:

- Post-Retirement Medical Assistance Plan (for the Major Medical Supplement)
- Short-Term Disability Plan (for maternity leave benefits)
- Long-Term Disability Plan
- Life Insurance Plan
- Child Benefit Plan

Episcopal clergy serving in a domestic diocese of the Church participate in a different pension plan called The Church Pension Fund Clergy Pension Plan (Clergy Pension Plan).

Sources of Retirement Income

Your pension can help you build a secure future. When planning for retirement, it is important that you look at all of the sources that may be available to you, including these:

- Government-provided retirement benefits
- Personal resources, such as individual savings and investments
- Other retirement benefits you or your spouse may have earned in other professions

Need Help Planning?

To find out how we can help you take control of your financial future, please contact our *financial education specialists*.

If you are an Episcopal cleric serving in the Diocese of Puerto Rico, you participate in the International Clergy Pension Plan for tax reasons. However, the benefits that you receive are identical to the benefits provided to participants in the Clergy Pension Plan. Those benefits are described in "*A Guide to Clergy Benefits*," and you should use that guide as your reference but understand that the tax treatment of your benefits may be different.

Please contact our *Client Services* group if you have any questions.

[1] *The non-domestic dioceses of the Episcopal Church are Colombia, Cuba (pending re-admission to the Episcopal Church), Dominican Republic, Ecuador Central, Ecuador Litoral, Haiti, Honduras, Puerto Rico, Taiwan, Venezuela, and Virgin Islands (British only). (See the explanation above about clergy who serve in the Diocese of Puerto Rico.)*

[2] *The IARCA dioceses are Costa Rica, El Salvador, Guatemala, Nicaragua, and Panama.*

Participation

If you are an ordained Episcopal or IARCA cleric, you automatically participate in the International Clergy Pension Plan if you are compensated, regularly employed, expected to work five or more consecutive months for the same Episcopal or IARCA employer, and your employer pays *Assessments* to CPF. For Episcopal clergy, your employer also must be located in a non-domestic diocese of the Episcopal Church.

If your position is expected to last for less than five months, and you have a letter of agreement directing the payment of Assessments by your employer for the services that you will provide, you have the option to participate in the International Clergy Pension Plan.

Learn more about when participation begins and eligibility for benefits *here*.

Brazil and Philippines

Because these countries are no longer dioceses of the Episcopal Church, no new enrollments are allowed for clergy serving in Brazil or the Philippines. Any benefits available to clergy in those former Episcopal dioceses are subject to the rules in effect when a cleric last earned Credited Service under the International Clergy Pension Plan.

How Benefits Are Calculated

Your pension benefits are calculated using a formula that takes into account various factors, including:

	What Is It?	Why Is It Important?
Credited Service	The period of years and months that your employer has paid full *Assessments* on your Total Assessable Compensation and, if applicable, for which you have personally paid Assessments. You earn Credited Service for all benefits (pension, life, and the Major Medical Supplement) as long as full Assessments are paid.	Credited Service is used to calculate your pension amount. It is also used to determine your eligibility for, and the amount of, the *Major Medical Supplement*.
Highest Average Compensation	If you earn Credited Service on or after January 1, 2018, your Highest Average Compensation is the average of the seven highest-paid, non-overlapping, 12-month periods during which you earned Credited Service over your entire career.	Highest Average Compensation is used to calculate your pension amount.
Total Assessable Compensation	The basis for the amount your employer pays in Assessments. Specifically, your employer must pay 18% of your Total Assessable Compensation, which is the sum of the following annualized amounts:* • Base salary (excluding housing) and scheduled taxable cash payments • Cash housing allowance and/or utilities	Both Highest Average Compensation and Credited Service are dependent on your Total Assessable Compensation. For each month that your employer pays the full Assessment due, you will earn one month of Credited Service, and your Total Assessable Compensation for that month may be counted toward your Highest Average Compensation.

* *Any form of severance (including pay continuation following a termination of employment) should be excluded in all cases. In addition, employer-paid tuition for dependents is not assessable unless it is taxable, and imputed income is not assessable.*

	What is it?	Why is it important?
Total Assessable Compensation (continued)	• Employer contributions to a qualified and/or non-qualified plan • One-time payments (applies to month when paid), plus • The value of *employer-provided housing*, which equals 30% of the sum of the four bullets above. (However, if the sum of the four bullets above is less than the *Hypothetical Minimum Compensation*, the value of employer-provided housing equals 30% of the Hypothetical Minimum Compensation.) Note that if the only type of compensation that your employer provides is housing, then your Total Assessable Compensation equals 30% of the Hypothetical Minimum Compensation.	

Please note:

- Your Total Assessable Compensation is taken into consideration when determining your Highest Average Compensation only if and when Assessments are paid in full.
- If you personally pay for *Assessments*, the compensation level on which you pay personal Assessments in full also will be taken into consideration when determining your Highest Average Compensation.
- CPF reserves the right to request documentation, such as a government wage reporting form or a letter of agreement, at any time to support the amount of an individual's Total Assessable Compensation that is reported to us.

Vesting

Vesting means you are entitled to receive a pension benefit from the International Clergy Pension Plan upon your retirement. You become vested when you earn five years of Credited Service or are age 65 or older while an *Active* participant. (For example, if you find your first employment in the Church when you are age 67, you will be fully vested under the International Clergy Pension Plan after your employer makes the first *Assessment* payment on your behalf.)

If you earned at least two years of *Credited Service* and, prior to January 1, 2018, transferred to/from the Episcopal Church from/to another church that is a member of the Anglican Communion, your service outside of the Episcopal Church will count for vesting purposes under the International Clergy Pension Plan. You must provide a written request to CPF, along with any required supporting documentation, in order to receive vesting credit.

When You Can Begin Receiving Benefits

You can begin receiving your vested pension benefit at the following points in time:

Early Retirement	At or after age 55
Normal Retirement	At or after age 65
Mandatory Church Retirement Age	At age 72*

** This is the mandatory retirement age in the Episcopal Church. If you are an IARCA cleric, your bishop or diocese may require that you retire at age 70. In no event can you delay your retirement beyond age 72.*

Participation and Eligibility

Types of Participation

There are two types of participation in the International Clergy Pension Plan: mandatory and optional.

Mandatory Participation

If (1) you are a deacon, priest, or bishop who is canonically resident in any diocese of the Episcopal Church or a diocese of IARCA, (2) your employer is subject to the authority of the Episcopal Church or IARCA (or is associated with the Episcopal Church or IARCA and has elected to participate in the International Clergy Pension Plan), and (3) your employer is located in a non-domestic diocese of the Episcopal Church or a diocese of IARCA, you must participate in the International Clergy Pension Plan if you are

- expected to be regularly employed (as explained below) for five or more consecutive months by the same employer and
- compensated by your employer.

You will be treated as regularly employed if you meet at least one of the following requirements:

- You have a letter of agreement (or other contract of employment) with your employer.
- You are duly called to your position by your bishop, vestry, or rector.
- Your position has a formal title (for example, rector or priest-in-charge) indicating an ongoing substantial relationship with your employer.
- Your employer issues you a government wage reporting form.
- You are scheduled to work at least 20 hours per week.

Please note: If you are expected to be employed for less than five consecutive months, but actually work for five or more consecutive months, your participation in the International Clergy Pension Plan will be mandatory, retroactive to your date of hire. Please see *When Enrollment Begins (and Ends)* for additional details. Please report any changes to your employment status to our *Client Services* group.

Religious Orders

If you are a member of a religious order, you cannot participate in the International Clergy Pension Plan unless and until your order elects to participate and has all of its eligible clergy members enrolled in the International Clergy Pension Plan. In addition, your order must agree to pay Assessments on behalf of all eligible clergy members. Assessments are based on each member's *Total Assessable Compensation*. Please see *Cost of Coverage* for details on Assessments.

Two-Clergy Families

If both you and your spouse are ordained, each of you will participate in the International Clergy Pension Plan independently and will receive benefits based on your own service to the Episcopal Church or IARCA, as applicable.

Optional Participation

There are two types of optional participation:

If You Are Expected to Work Less Than Five Consecutive Months	If you would otherwise meet the criteria for mandatory participation except that you are expected to be employed for less than five consecutive months, you and your employer may choose to participate in the International Clergy Pension Plan if you have a letter of agreement (or other contract of employment) that provides for the payment of *Assessments* on your behalf by your employer.
Extension of Ministry	If you are employed by a non-Episcopal or non-IARCA organization, or any society, organization, or body associated with the Episcopal Church or IARCA that has not elected to participate in the International Clergy Pension Plan, you may choose to participate in the International Clergy Pension Plan through an Extension of Ministry. To qualify, you must be exercising active ordained ministry in pastoral, educational, or social work that will advance the mission of the Episcopal Church or IARCA and, if you are an Episcopal cleric, that will not violate the Constitution and Canons. Please refer to the *Extension of Ministry application* available at *cpg.org* for more information.

Extension of Ministry (continued)	Keep in mind that full *Assessments* must be paid on your *Total Assessable Compensation* to earn Credited Service under the International Clergy Pension Plan for your Extension of Ministry, and CPF maintains the right to request supporting documentation.

When Enrollment Begins (and Ends)

Your enrollment in the International Clergy Pension Plan will begin on the first day of the month coinciding with or immediately following your date of hire once your employer makes the first *Assessment* payment on your behalf. For example, if your employment begins on March 15, 2018, your enrollment in the International Clergy Pension Plan will begin on April 1, 2018, but only after your employer pays the full Assessment due for April.

Your enrollment in the International Clergy Pension Plan will end on the last day of the month in which your employment ends. For example, if your last day of work is October 15, 2020, your enrollment in the International Clergy Pension Plan will end as of October 31, 2020, and your employer must pay the full Assessment due for October.

Eligibility for Benefits

Eligibility for the benefits described in this Guide is based on your participant status under the International Clergy Pension Plan as follows:

You Will Be…	If…
Active	• you are *regularly employed* and enrolled in the International Clergy Pension Plan, have earned at least one month of *Credited Service*, and *Assessments* are no more than 24 months past due, or • your enrollment in the International Clergy Pension Plan has ended because you are no longer employed and no more than six calendar months have passed following your last day of employment (referred to as a "six-month grace period"), or • your six-month grace period is over, and you have paid *personal Assessments* for each month following your last day of employment up to the current month, or • you have earned 25 or more years of Credited Service, or • you were classified as Deemed Active as of December 31, 2017. (In general, being Deemed Active means that you were eligible to retire at the time you stopped earning Credited Service. As of January 1, 2018, Deemed Active is no longer a status under the International Clergy Pension Plan.) In addition, if you are Active at the time that you are approved for disability benefits, you will be considered Active under the International Clergy Pension Plan as long as you are receiving disability benefits.
Inactive	• your *enrollment* in the International Clergy Pension Plan has ended because you are no longer employed, your six-month grace period (as described above) has ended, and you have not paid *personal Assessments* (or your personal Assessments are past due), or • you are *regularly employed* and enrolled in the International Clergy Pension Plan, but your employer has not paid *Assessments* for more than 24 months, or • you are not otherwise Active. In addition, if you are Inactive at the time that you are approved for disability benefits, you will be considered Inactive under the International Clergy Pension Plan as long as you are receiving disability benefits.
Retired	• you have initiated retirement and started to receive your pension benefits and have not subsequently return to active ministry.

If You Are Deposed or Removed

Notwithstanding the rules above, if you are deposed or removed in accordance with the Constitution and Canons or under similar rules for IARCA, you generally will be considered Inactive as of the first day of the month following your deposition or removal unless you have earned 25 or more years of Credited Service or were classified as Deemed Active as of December 31, 2017.

The chart below shows the benefits you are eligible for based on your participant status under the International Clergy Pension Plan. Please note that this is a high-level overview; **other eligibility requirements and conditions apply**. You will find summaries of these benefits in this Guide.

	Benefit	Active	Inactive	Retired
Disability	Short-Term Disability Benefit (for maternity leave only)	Yes	No	No
	Disability Retirement	Yes, if under age 65 (benefit is based on Credited Service projected to age 65)	Yes, if vested and under age 65 (benefit is based on actual Credited Service)	No
Death	Preretirement Survivor Benefit	Yes (benefit may be based on Credited Service projected to age 65)	Yes, if vested (benefit is based on actual Credited Service)	N/A
	Resettlement Benefit Upon Preretirement Death	Yes	No	N/A
	Life Insurance Benefit (Pre- and Post-Retirement)	Yes	No	Yes, if Active immediately prior to retirement
	Child Benefit (Pre- and Post-Retirement)	Yes	Yes, if vested	Yes
	Post-Retirement Survivor Benefit	N/A	N/A	Yes, if elected at retirement
Retirement	Resettlement Benefit	N/A (unless you are approved for disability retirement)	N/A	Yes, if Active immediately prior to your first retire-ment (and you have not already received it)
	Monthly Pension	N/A	N/A	Yes
	Christmas Benefit	N/A	N/A	Yes
	Discretionary Cost-of-Living Adjustments	N/A	N/A	Yes
	Major Medical Supplement	N/A	N/A	Yes, if Credited Service requirement is met

If You Have an Eligible Spouse

Your eligible spouse may receive certain benefits described in this Guide. An eligible spouse is an individual to whom you are legally married (1) both on the date you stop earning Credited Service and on your retirement date or (2) on the date of your death, whichever occurs first. In addition, you must earn at least 12 months of Credited Service while married. Please note that unless all of these requirements are met, your spouse will not be eligible for the spousal benefits described in this Guide.

Important note: Documentation is required. CPF requires a copy of your marriage certificate to determine eligibility for spousal benefits. If you cannot provide a marriage certificate, then a written court order is required as evidence of your marriage.

What Happens if You Marry Later in Life?

If you are planning to retire shortly after you marry, or if you married after you had already stopped earning Credited Service under the International Clergy Pension Plan, your spouse may not be eligible for benefits. We strongly recommend that you carefully consider whether to retire if you have not earned at least 12 months of Credited Service while married.

If You Have an Eligible Child or Children

Your eligible child or children may receive certain benefits described in this Guide. Eligible children include these:

- A legal child who was living on the date that you stopped earning Credited Service or was born or adopted within 12 months thereafter
- A stepchild, foster child, or legal ward who was your "tax dependent" (as defined below) in the calendar year in which you stopped earning Credited Service (or in the calendar year immediately following the year in which you stopped earning Credited Service) and in the calendar year of your death
  - ~ A "tax dependent" for this purpose is a stepchild, foster child, or legal ward who (1) lives in the same long-term (not temporary) residence as you for more than half of the year at issue; (2) is younger than you and is also younger than age 19 at the end of the year (or age 24, if he or she is a student or disabled); and (3) does not provide more than half of his or her own support for the year.

In addition, an eligible child must be under the age of 25 at the time of your death or must be disabled. If disabled, the eligible child must have become disabled prior to reaching the age of 25. (CPF will consider a child to be disabled if he or she is receiving government-sponsored disability benefits or has been determined to be disabled by CPF's Medical Board, designated as *Zurich American Life Insurance Company (Zurich)*.

Cost of Coverage

Employer Assessments

Your employer funds the International Clergy Pension Plan and all other benefits provided by CPF through Assessments. However, there are certain situations when you may *personally pay Assessments*.

The CPF Board of Trustees sets the Assessment rate, which is 18% of your *Total Assessable Compensation*. This means that every month, your employer is required to pay 18% of 1/12 of your projected annual Total Assessable Compensation. If you have multiple employers, each one is billed based on the portion of your Total Assessable Compensation that it pays or provides to you.

Interest

All Assessments are due on the last day of the month for which they are billed. If your employer does not pay the full Assessment when it is due, interest may be applied. Beginning on January 1, 2022, interest will be charged on Assessments that are three months or more overdue. The annual rate used to calculate interest will be 4%. The rate is subject to periodic review.

A Word About Funding*

The timely payment of Assessments is critical, since they fund the benefits that CPF and IARCA provide to eligible clergy and their beneficiaries. All Assessments (contributed by employers and clergy) are pooled together and invested by CPF. When you retire, you will receive a monthly pension benefit for the rest of your life. After you die, the International Clergy Pension Plan may also provide ongoing benefits for your eligible surviving family members. Since pension benefits are based on a formula, the amount of your benefit will not be affected by CPF's investment performance.

Important note: We strongly encourage you to monitor whether your employer is paying Assessments in a timely manner. Late Assessment payments may accrue interest, and mean that you **will not**

Please note that CPF will not accept late Assessment payments unless the accrued interest is also paid. Once you retire under the International Clergy Pension Plan, however, no Assessments will be accepted other than in the ordinary course of your retirement processing.

- earn Credited Service unless and until Assessments are paid in full or
- receive all the benefits for which you and your family may be eligible because your status (*Active/Inactive*) under the International Clergy Pension Plan may be affected.

* *The Constitution and Canons mandate that employers that are subject to the authority of the Episcopal Church, or employers that are associated with the Episcopal Church and that elect to participate in the International Clergy Pension Plan, make Assessment payments to CPF on behalf of eligible Episcopal clergy.*

Personal Assessments

You may choose to personally pay Assessments when you have a break in service. This means you can pay Assessments to maintain your eligibility for benefits if you are

- currently between cures;
- not receiving compensation from your employer for any reason (for example, an unpaid leave of absence), or
- suspended or restricted from exercising ministry in the Episcopal Church or IARCA.

Personal Assessments may be paid for up to 24 months and must begin on the first day of the month immediately following the last month in which you were employed and/or earned compensation. However, if you are deposed or removed before the end of the 24-month period, personal Assessments must stop by the end of the month in which your deposition or removal occurs.

Personal Assessments equal 18% of the *Hypothetical Minimum Compensation* or your *Highest Average Compensation* (you decide which one) and are billed monthly. Once you make a choice and have paid the personal Assessment owed, you cannot retroactively change your choice if it would decrease the amount on which you personally paid Assessments. (You may, however, retroactively "buy-up" to the higher amount.)

Personal Assessments are due by the end of the month for which they are billed. If you do not pay the full Assessment when due, *interest* may be applied.

Important to know:

- If you are not currently employed and are enrolled in the International Clergy Pension Plan and more than six calendar months have passed following your last day of employment (please refer to the definition of *Active*), your status under the International Clergy Pension Plan will become *Inactive* if each month's Assessment is not paid in full when due. In other words, in order to remain Active once the six-month grace period following a termination of employment ends, you must pay personal Assessments beginning with the month immediately following your termination of employment through the current month.
- If you experience a break in service and do not personally pay Assessments, you and your family may lose *eligibility for benefits* in the event of your disability or death. This is because personal Assessments generally will not be accepted by CPF **after** you become disabled or following your death. If you have a break in service, you are strongly encouraged to pay personal Assessments when they are due.

Please contact our *Client Services* group to discuss your personal situation.

A Closer Look at Your Pension

The following section will help you understand the key components of the International Clergy Pension Plan and how your pension benefits are calculated.

Highest Average Compensation

Highest Average Compensation is the average of the seven highest-paid, non-overlapping, 12-month periods during which you have earned Credited Service over your entire career.

To calculate your Highest Average Compensation, the compensation that you have earned for pension purposes (that is, on which Assessments have been paid in full and for which you have earned Credited Service) over your **entire** career is taken into consideration. Please note:

- 12 consecutive months comprise one 12-month period. (Months in which no compensation is earned are dropped.)
- The seven 12-month periods do not need to be consecutive; however, they cannot overlap.
- If you have less than seven years of compensated employment during which you earned Credited Service, then all of the months in which you earned compensation and Credited Service will be used to determine your "career average."

The Definition of Highest Average Compensation May Vary

The definition of Highest Average Compensation described here is used only if Credited Service is earned under the International Clergy Pension Plan on or after January 1, 2018. Please note that prior to January 1, 2018, the International Clergy Pension Plan used other definitions to determine your Highest Average Compensation. If you established a Highest Average Compensation on or before December 31, 2017, then it can never be lower than the Highest Average Compensation determined by the definitions in effect prior to January 1, 2018.

How Credited Service Works

As long as your *Total Assessable Compensation* is greater than $0, you will earn one month of Credited Service under the International Clergy Pension Plan for each month that your employer pays the monthly Assessment (including interest, if applicable) in full. The Credited Service that you earn counts toward all benefits (pension, life, and the *Major Medical Supplement*). If your employer only partially pays (or does not pay) the Assessment due, you will not earn any Credited Service for that month.

If you are employed by multiple employers, you will earn one month of Credited Service if any one of your employers pays its applicable Assessment in full for the month. Please note that you cannot earn more than one month of Credited Service for any particular month.

The longer you serve in compensated positions in the Episcopal Church or IARCA, the more Credited Service you will earn and the greater your pension benefit will be, provided all Assessments are paid in full.

When Your Pension Benefits Begin

If you are *vested* under the International Clergy Pension Plan, there are four instances when you can or must retire and start to receive your pension benefits:

Early Retirement	At or after age 55
Normal Retirement	At or after age 65
Disability Retirement	Upon a qualifying disability
Mandatory Church Retirement Age	At age 72*

** This is the mandatory retirement age in the Episcopal Church. If you are an IARCA cleric, your bishop or diocese may require that you retire at age 70. In no event can you delay your retirement beyond age 72.*

How Your Pension Benefit Is Calculated

At Early Retirement with Less Than 30 Years of Credited Service

If you retire at or after the early retirement age of 55 with less than 30 years of Credited Service, your annual pension benefit is subject to reduction and calculated as follows:

Highest Average Compensation (up to $10,000) x Credited Service (capped at 25 years) x 4%
Plus
Highest Average Compensation (in excess of $10,000) x Credited Service (uncapped) x 1.5%
= Your Total Annual Normal Retirement Benefit
Less
5% x each year (approximately 0.4167% per month) your early retirement date is short of age 65
= Your Total Annual Early Retirement Benefit with Less Than 30 Years of Credited Service

Special Transition Rule for Grandfathered Participants: If you were age 55 or older as of December 31, 2017, and you retire at or after age 60 and prior to age 65, your pension benefit will be reduced by 0.2% for each month that your early retirement date precedes age 65. If you retire before age 60, however, the reduction of 5% per year (approximately 0.4167% per month) will apply.

At Early Retirement with 30 or More Years of Credited Service

If you retire at or after the early retirement age of 55 with 30 or more years of Credited Service, you will receive the normal retirement benefit (unreduced for early commencement). Your annual pension benefit is calculated as follows:

Highest Average Compensation (up to $10,000) x Credited Service (capped at 25 years) x 4%
Plus
Highest Average Compensation (in excess of $10,000) x Credited Service (uncapped) x 1.5%
= Your Total Annual Early Retirement Benefit with 30 or More Years of Credited Service

At Normal Retirement

Here is how your annual pension benefit is calculated if you retire at or after the normal retirement age of 65:

Highest Average Compensation (up to $10,000) x Credited Service (capped at 25 years) x 4%
Plus
Highest Average Compensation (in excess of $10,000) x Credited Service (uncapped) x 1.5%
= Your Total Annual Normal Retirement Benefit

Minimum Pension

As long as you are *vested* and *eligible to retire*, the International Clergy Pension Plan provides a minimum pension benefit based on your Credited Service. Your status at retirement (*Active/Inactive*) does not affect the amount of the minimum pension.

The annual minimum pension benefit equals $120 times your Credited Service, with a minimum of $2,400 and a maximum of $4,800. The minimum pension is subject to the *early retirement reduction*. CPF will automatically determine if you are entitled to a minimum pension at the time your retirement package is prepared.

The International Clergy Pension Plan also provides a minimum pension benefit for an *eligible spouse*. The minimum spousal pension is set at 80% of your minimum pension, unless you elect an *optional form of payment* at retirement. CPF will automatically determine if your eligible spouse is entitled to a minimum spousal pension.

At Mandatory Church Retirement Age

The Mandatory Church Retirement Age is 72 for Episcopal clergy. If you are an IARCA cleric, your bishop or diocese may require that you retire at age 70. In either case, your annual pension benefit is calculated using the same formula that is used for *normal retirement*.

If you are actively working in the Church or IARCA and meet the eligibility requirements to participate in the International Clergy Pension Plan, you may continue to earn Credited Service until age 72, assuming *Assessments* are fully paid. If you are still working in the Church or IARCA after age 72, you will not earn Credited Service for your work, and Assessment payments will end.

Examples: Clergy Like You

The following scenarios offer examples of clergy who retire at normal or early retirement age. For illustrative purposes, these examples are based only on the formulas described in the section *How Your Pension Benefit Is Calculated*. **They do not take into consideration the *normal or optional forms of payment*, which could change the amount of the benefit.**

Normal Retirement
Example 1

The Rev. Romulo Gallego is vested and ready to retire. In addition,

- he is 65 years old (the normal retirement age),
- he has 28 years and six months (28.5 years) of Credited Service, and
- his Highest Average Compensation equals $12,000.

Father Gallego will receive a **monthly pension benefit of $904.58**. Here is how his benefit was determined:

Highest Average Compensation (up to $10,000) x Credited Service (capped at 25 years) x 4%	$10,000 x 25 x 4% = $10,000
Plus	
Highest Average Compensation (in excess of $10,000) x Credited Service (uncapped) x 1.5%	$2,000 x 28.5 x 1.5% = $855
=	
Total annual normal retirement benefit	$10,855 ($10,000 + $855)
Monthly pension benefit Father Gallego receives	**$904.58** ($10,855 / 12 months)

Example 2

The Rev. Maria Astucias is vested and ready to retire. In addition,

- she is 65 years old (the normal retirement age),
- she has 12 years of Credited Service, and
- her Highest Average Compensation equals $1,500.

Mother Astucias will receive a **monthly pension benefit of $200**. Here is how her benefit was determined:

Highest Average Compensation (up to $10,000) x Credited Service (capped at 25 years) x 4%	$1,500 x 12 x 4% = $720
Plus	
Highest Average Compensation (in excess of $10,000) x Credited Service (uncapped) x 1.5%	$0 x 12 x 1.5% = $0
=	
Total annual normal retirement benefit (based on pension formula)	$720 ($720 + $0)
Annual minimum pension benefit ($120 x Credited Service, with a minimum of $2,400 and a maximum of $4,800)	$2,400 (this is higher than $120 x 12, which equals $1,440)
Monthly pension benefit Mother Astucias receives (higher of pension formula versus minimum pension)	**$200** ($2,400 / 12 = $200)

Early Retirement with Less Than 30 Years of Credited Service

The Rev. Jose Ramos is vested and ready to retire. In addition,

- he has just turned 59 years old, which means he is retiring six years early,
- he has 25 years and three months (25.25 years) of Credited Service, and
- his Highest Average Compensation equals $10,600.

Father Ramos will receive a **monthly pension benefit of $596.59**. Here is how his benefit was determined:

Highest Average Compensation (up to $10,000) x Credited Service (capped at 25 years) x 4%	$10,000 x 25 x 4% = $10,000
Plus	
Highest Average Compensation (in excess of $10,000) x Credited Service (uncapped) x 1.5%	$600 x 25.25 x 1.5% = $227.25
=	
Total annual normal retirement benefit	$10,227.25 ($10,000 + $227.25)
Annual early retirement reduction (5% x 6 years = 30%)	$3,068.18 ($10,227.25 x 30%)
Total annual early retirement benefit	$7,159.07 ($10,227.25 - $3,068.18)
Monthly pension benefit Father Ramos receives	**$596.59** ($7,159.07 / 12 months)

Early Retirement with 30 or More Years of Credited Service

The Rev. David Chen is vested and ready to retire. In addition,

- he is 58½ years old, which means he is retiring 6.5 years early,
- he has 32 years of Credited Service, and
- his Highest Average Compensation equals $7,500.

Father Chen will receive a **monthly pension benefit of $625**. Here is how his benefit was determined:

Highest Average Compensation (up to $10,000) x Credited Service (capped at 25 years) x 4.0%	$7,500 x 25 x 4.0% = $7,500
Plus	
Highest Average Compensation (in excess of $10,000) x Credited Service (uncapped) x 1.5%	$0 x 32 x 1.5% = $0
=	
Total annual normal retirement benefit (with no early retirement reduction because Father Chen has more than 30 years of Credited Service)	$7,500 ($7,500 + $0)
Monthly pension benefit Father Chen receives	**$625** ($7,500 / 12 months)

Pension Payment Options

Normal Forms of Payment

You automatically receive one of the two forms of payment below unless you choose an *optional form of payment*.

If you are married and have an eligible spouse at retirement

50% Joint and Survivor Option

You will automatically receive a 50% joint and survivor benefit, which entitles you to a monthly benefit for your lifetime.

After your death, your *eligible spouse* will receive a monthly benefit equal to 50% of your pension at the time of your death. This benefit is payable to your eligible spouse for his or her lifetime. However, if your eligible spouse predeceases you, no survivor benefit will be paid even if you remarry after retirement.

The International Clergy Pension Plan subsidizes the full cost of the 50% survivor benefit, which means that there is no reduction to your own pension to cover the cost of the 50% survivor benefit to your eligible spouse.

Important to know:

- If the *minimum spousal pension* is greater than a 50% survivor benefit, your eligible spouse will receive the minimum spousal pension instead.
- A spouse's eligibility for benefits varies considerably depending on factors such as date of marriage, survivor option chosen at retirement, date of death, date of divorce, status of paid Assessments, and other individual circumstances. Please make sure to report any change in your marital status to our *Client Services* group when the change happens.

If you are single or do not have an eligible spouse at retirement

Zero Option

You will automatically receive a single life option, called the zero option, which entitles you to an enhanced monthly benefit for the rest of your life. All payments end at your death, and no further pension benefits will be paid.

Because there is no 50% survivor benefit payable following your death (as there would be if you were married to an eligible spouse), your benefit is increased by the actuarial value of a 50% survivor benefit.

The zero option is meant to provide equitable benefits for clergy who are not married to an eligible spouse when they retire.

Optional Forms of Payment

If you do not believe that your *normal form of payment* is best for your personal situation, you may choose an optional form of payment (as described below) at the time you file a retirement application.

- If you are married to an *eligible spouse*, you may choose one of these:
  - The zero option,
  - A 15-year certain and life option
  - A 75% or 100% joint and survivor option.
- If you are not married to an eligible spouse, you may choose one of these:
  - A 15-year certain and life option
  - A 50%, 75%, or 100% joint and survivor option

Benefits under each survivor option are determined using actuarial tables and depend on your age and the age of your eligible spouse or named survivor beneficiary. Our *Client Services* group can provide details, including the costs of the various survivor options, upon request.

No Changes Allowed After Retirement; Spousal Consent

You may not change the form of payment or your beneficiary designation after your retirement date under any circumstances. In addition, if your beneficiary predeceases you after you retire, you cannot name a new beneficiary as a replacement. In this case, no survivor benefit is payable, even if you later remarry.

Please note: If you have an eligible spouse, you must have your spouse's written, notarized consent to choose an option that would provide him or her with anything less than what would have been payable under the normal form of payment and/or to name someone other than your spouse as your beneficiary.

Zero Option

This is the normal form of payment if you are single or if your spouse is not an eligible spouse. If you are married to an eligible spouse, you may choose only this form of payment with your spouse's written, notarized consent.

With the zero option, you will receive an enhanced monthly pension benefit for your lifetime. However, following your death, no survivor benefit will be paid.

If you are married to an eligible spouse, you may wish to consider this payment option if

- you have sufficient life insurance or other assets to provide for your eligible spouse,
- your eligible spouse has adequate retirement benefits of his or her own, and/or
- you believe that your eligible spouse is more likely to predecease you by reason of age or infirmity.

15-Year Certain and Life Option

Under this option, you will receive a monthly pension benefit for your lifetime. If you die after receiving payments for 15 years, there will be no further benefits payable after your death. However, if you die before receiving payments for 15 years, then your eligible spouse or designated beneficiary will receive a monthly benefit for the remainder of the 15-year period. If your eligible spouse or beneficiary dies before the end of the 15-year period, the balance of any remaining payments will be paid to the estate of whoever is the last to survive.

Electing this option means that the amount of your monthly pension will be increased or decreased as follows:

- If you are married to an eligible spouse, it will be increased or
- if you are single, or do not have an eligible spouse, it will be decreased.

You can choose this payment option if you are

- single, or your spouse is not an eligible spouse, and you want to designate any person as your beneficiary, or
- married to an eligible spouse and your spouse provides written, notarized consent.

Joint and Survivor Option: 50%, 75%, or 100%

These payment options provide an actuarially reduced benefit over your lifetime.[3] Benefits are reduced because they will be paid beyond your lifetime. In the event of your death, your beneficiary will receive a benefit equal to the percentage that you elected for his or her lifetime (that is, 50%, 75%, or 100%).

If your beneficiary dies before you, you may not name a new or replacement beneficiary. In this case, no benefits will be payable after your death, even if you later remarry.

You can choose this payment option if you are

- single, or your spouse is not an eligible spouse, and you want to designate any person as your beneficiary, or
- married to an eligible spouse and want to choose the 75% or 100% joint and survivor option for your spouse instead of the 50% joint and survivor option, which is automatically the normal form of payment (unless the *minimum spousal pension* applies). Your spouse's written, notarized consent is not needed if you choose any of these options (unless the minimum spousal pension applies).

Requesting Your Pension Benefits

In general, you must file an application with CPF about three months before the date you want to retire. However, there is one application filing exception, noted below. As part of the application process, you may choose your *form of payment* and designate a beneficiary.

Before completing a retirement application, CPF recommends that you arrange a meeting with your canonical bishop (or, in your bishop's absence, the Ecclesiastical Authority or similar IARCA authority) to discuss your retirement plans and anticipated retirement date.

CPF must receive your completed application to retire prior to your anticipated retirement date in order for Client Services to process your retirement for that date. Retroactive retirements are not generally permitted.

Application Filing Exception: CPF recommends that you file a retirement application to ensure that you select the *payment option* that meets your needs and, if you desire, designate a beneficiary to receive a benefit following your death. However, CPF will automatically begin pension payments even if you do not complete a retirement application if you reach the Mandatory Church Retirement Age (age 72).

See *When Your Pension Benefits Begin* for more information about starting your pension benefit at age 72. In this situation, if CPF does not receive a completed retirement application on time, your pension benefit will be based on the *normal form of payment* and your marital status in CPF's records at that time. If you want to choose your form of pension payment and/or designate a beneficiary, we encourage you to contact our *Client Services* group at least three months before you turn age 72.

Important note: You should obtain the signature of your canonical bishop (or, in his or her absence, the Ecclesiastical Authority or similar IARCA authority of the diocese where you are canonically resident) on your application for retirement. Your bishop's signature does not necessarily have to be submitted at the same time as your own signature on the retirement application (and the option election form, if applicable), but it does need to be submitted before you can commence receipt of your pension. If you are age 72, or have been deposed or removed, your bishop's signature is not required.

Receiving Your Pension Payments

CPF strongly encourages you to have all retirement benefit payments sent directly to your bank by electronic transfer. Using this method allows CPF to transmit retirement benefit payments into your bank account, which helps to ensure that they arrive safely and are deposited on time. All you need to do is complete a *Payment Method Authorization Form*, if direct deposit is available where you live, or a Wire Transfer Form (*English* / *Spanish*), if direct deposit is not available. Once the banking relationship is established, there is no need for further maintenance, unless your banking information changes.

[3] *If you are married to an eligible spouse and choose to receive the normal form of payment (50% joint and survivor option or, if applicable, the minimum spousal pension), the monthly pension benefit you receive is not actuarially reduced because the International Clergy Pension Plan subsidizes the full cost of the survivor benefit.*

Benefits Designated as Housing Allowance

As may be permitted by your local jurisdiction, CPF's Board of Trustees designates the full amount of each benefit paid to retired or disabled clergy, including the *Christmas benefit*, the *resettlement benefit*, and *disability benefits*, as applicable, as eligible for a housing allowance exclusion. This means that you may be able to exclude the portion of your benefits that is used for housing expenses from your taxable income, if your local jurisdiction allows this exclusion.

The housing allowance exclusion is available only if permitted by your local jurisdiction, in which case it is available only to ordained clergy and ends in the event of your death. It is not available to your surviving spouse or dependents. Please consult your tax advisor for more information.

Mistaken Payments

If you or your survivors receive incorrect payments for any reason, overpayments may be charged against, and underpayments may be added to, any benefits otherwise payable to you or your survivors. Interest may be charged or paid, depending on the circumstances.

Important Information About Taxes

Any benefit payments that you receive may be subject to taxes in your local jurisdiction. Please be advised that your diocese is responsible for complying with any local tax reporting requirements. If you have any questions, you should contact your diocesan administrator.

If you are a United States person for tax purposes, any benefit payments that you receive that are not eligible for the housing allowance exclusion are subject to United States income tax even if you live outside the United States. The payments may be subject to local taxes as well. Please consult your tax advisor for more information.

Additional Benefits

Benefits If You Are Disabled Prior to Retirement

CPF offers you two types of disability benefits: (1) short-term disability benefits if you give birth to a child (provided under the Short-Term Disability Plan) and (2) disability retirement benefits if you have a long-term disability (provided under the International Clergy Pension Plan).

If you are pregnant, or have health issues and either plan to limit your work schedule for an extended period of time or resign from a position, you should file an application for disability in advance to determine whether you qualify for benefits. If you have questions, please contact our *Client Services* group.

Short-Term Disability Benefits (for Maternity Leave Only)

The Short-Term Disability Plan is intended to provide an income replacement benefit to assist employers with expenses incurred if you are not working because you have given birth to a child (that is, you are out on maternity leave). To qualify, you must be an *Active* participant in the International Clergy Pension Plan immediately prior to the time you give birth.

The short-term disability benefit is paid for twelve (12) weeks and is generally equal to 70% of your weekly compensation on which Assessments were last paid. The maximum weekly benefit is $1,000.

As long as your employer continues to provide you with 100% of your compensation and benefits, including paying *Assessments* to CPF, during your maternity leave, the short-term disability benefit will be paid to your employer. If your employer does not do so, or if you were not employed immediately prior to giving birth, the benefit will be paid directly to you.

Disability Retirement Benefits

If you become disabled before retiring and before age 65, you may be eligible to receive a disability retirement benefit from the International Clergy Pension Plan. To qualify, you must be an *Active* participant, or a *vested* participant, in the International Clergy Pension Plan immediately prior to becoming disabled. In addition, your physician must certify that you are disabled (as defined below), and CPF's Medical Board, designated as *Zurich*, must concur.

You will be considered disabled if you are unable to perform the material and substantial duties of your own job for up to the first 24 calendar months following approval of disability retirement benefits. After this 24-month period, you will be considered disabled if you are unable to perform any occupation by which you are able to earn at least 80% of your Highest Average Compensation, as determined immediately prior to your disability. Interpersonal conflicts or environmental or other hazards in the workplace will not be a factor considered when determining whether you can perform your own job. CPF may require that any determination of disability be made by an appropriate provider of CPF's choosing and at CPF's expense. CPF may also require treatment by what is determined to be an appropriate provider.

While receiving disability retirement benefits, you cannot be compensated for any work (inside or outside the Episcopal Church or IARCA) for the first year. However, after you have received disability retirement benefits for at least one year, you may return to work (church or secular) with the approval of your physician and your canonical bishop (or, in the bishop's absence, the Ecclesiastical Authority or similar IARCA authority). If you are able to return to work, your disability retirement benefits may be reduced or suspended depending on your annualized earnings for such work.

Basic Disability Benefit

If you are an *Active* participant in the International Clergy Pension Plan when you become disabled, the basic disability benefit is determined using the formula for *normal retirement*, based on your *Highest Average Compensation* and *Credited Service* projected to age 65.

If you are an *Inactive* participant in the International Clergy Pension Plan but are *vested* at the time of disability, the basic disability benefit is determined using the formula for normal retirement, based on your Highest Average Compensation and actual Credited Service.

Disability Enhancement

In addition to the basic disability benefit described above, an Active participant may be eligible to receive a disability enhancement. If you qualify, the basic disability benefit plus the disability enhancement generally will equal 70% of your *Total Assessable Compensation* immediately prior to the onset of disability. The disability enhancement will be paid to you each month through the month in which you turn age 65 or, if earlier, when you are no longer disabled.

24-Month Lookback Period

If, in the 24-month period immediately prior to the onset of disability, your Total Assessable Compensation decreased or increased as compared to your Highest Average Compensation, and such change was not related to a change in employer, then the compensation used to calculate the disability enhancement may be adjusted. Please contact *Client Services* for more information.

Discretionary Cost-of-Living Adjustments

Both the basic disability benefit and the disability enhancement will be subject to any *discretionary cost-of-living adjustments* that may be approved by CPF's Board of Trustees during the period that you are receiving disability retirement benefits.

When Disability Retirement Benefits End

Disability retirement benefits end when you reach the normal retirement age of 65 or, if earlier, when you are no longer disabled. At age 65, the disability enhancement (if applicable) stops, and the basic disability benefit becomes a normal retirement benefit. At that time, you must complete a retirement application and choose the *form of payment* in which to receive your normal retirement benefit and/or designate a beneficiary.

Fund for Medical Assistance

CPF offers the Fund for Medical Assistance to eligible Episcopal clergy (and lay employees) working in the non-domestic dioceses[4] of the Episcopal Church and their eligible dependents. (Retired Episcopal clergy also may be eligible.) The Fund for Medical Assistance provides reimbursement for qualified medical expenses not otherwise covered by public or private insurance and was created in response to the formation of the Denominational Health Plan for the domestic dioceses of the Episcopal Church. IARCA clergy are not eligible for the Fund for Medical Assistance.

The bishop or Ecclesiastical Authority of a non-domestic diocese must apply for a grant on behalf of an individual who satisfies all of the eligibility requirements. For more information on the Fund for Medical Assistance, please contact *Client Services*.

[4] *Clergy working in Cuba will be eligible for grants from the Fund for Medical Assistance after Cuba is officially re-admitted as a diocese of the Episcopal Church. In addition, clergy working in Micronesia are eligible for grants, even though they do not participate in the International Clergy Pension Plan. Instead, clergy working in Micronesia participate in the (U.S.) Clergy Pension Plan.*

Post-Retirement Health Benefits

CPF provides financial assistance in the form of a monthly cash payment that is intended to assist with the cost of post-retirement health benefits. This financial assistance is a separate benefit provided by CPF under the Post-Retirement Medical Assistance Plan and is referred to as the Major Medical Supplement.

To be eligible for the Major Medical Supplement, you must have earned at least 10 years of *Credited Service* under the International Clergy Pension Plan and be retired (or on disability retirement). Upon reaching age 65 (or, if earlier, upon your disability retirement), you will receive a monthly benefit of up to $160, less $2 for each year of Credited Service that is less than 20 years.

Fund for Medical Assistance

Retired Episcopal clergy may be eligible for additional financial assistance to help pay for qualified medical expenses. See *Fund for Medical Assistance* for more information.

The same monthly benefit is payable to your eligible spouse or eligible surviving spouse when he or she reaches age 65. If you are eligible for the Major Medical Supplement, your spouse or surviving spouse is eligible for the benefit as long as you were married when you retired under the International Clergy Pension Plan, when your disability retirement was approved, or on the date of your death, whichever occurs first. In addition, you must have earned at least 12 months of Credited Service while married.

Other Post-Retirement Benefits

In addition to pension payments, eligible retired clergy may receive or have access to the following additional benefits:

- Resettlement Benefit
- Christmas Benefit
- Discretionary Cost-of-Living Adjustments
- Fund for Special Assistance
- Life Insurance Coverage (described in the section *If You Die After You Retire*)

This section provides information about each benefit (other than life insurance coverage), including who is eligible and benefit amounts.

Resettlement Benefit

The International Clergy Pension Plan provides a resettlement benefit to help eligible clergy relocate when they retire. Here is how it works:

- You are eligible if you are an *Active* participant in the International Clergy Pension Plan immediately prior to retirement.
- The resettlement benefit equals 12 times your monthly pension benefit based on your *normal form of payment*.
- If eligible, you will receive a resettlement benefit ranging from a minimum of $2,000 to a maximum of $20,000.
- The resettlement benefit is only payable when you first retire under the International Clergy Pension Plan (or go on disability retirement). If you later return to active ministry, you will not be eligible to receive the resettlement benefit when you re-retire, even if you did not receive it when you first retired.
- The resettlement benefit is paid directly to you in one lump sum and is considered taxable income in the year it is received unless it is eligible for the *housing allowance exclusion*.

Christmas Benefit

Each December during your retirement, the International Clergy Pension Plan will provide a Christmas benefit (or 13th check) equal to $25 times your Credited Service.

In the event of your death, your survivor beneficiary, if you have one, and your *eligible children* will also receive a Christmas benefit each December equal to $25 times your Credited Service.

Discretionary Cost-of-Living Adjustments

Although not required by plan rules, the CPF Board of Trustees has generally granted a cost-of-living adjustment when U.S. inflation has justified it and the financial condition of the International Clergy Pension Plan has allowed for it. While we make our own judgments regarding cost-of-living adjustments, it has been our practice to look to the U.S.

Bureau of Labor Statistics' Consumer Price Index as a benchmark to guide our thinking on inflation. Many other organizations, such as the U.S. Social Security Administration, look to the Consumer Price Index when making decisions about cost-of-living adjustments. We realize that the Social Security Administration's cost-of-living adjustment decision may not be a perfect proxy for retiree living expenses in every case, particularly in the non-domestic dioceses of the Episcopal Church and IARCA, but it is the most well-recognized and objective measure available, so we continue to see value in referring to it when making our decision.

Fund for Special Assistance

The Fund for Special Assistance has been created for the relief of specific and extraordinary financial needs. Specifically, it has been created to provide grants ranging from a minimum of $1,000 to a maximum of $10,000 per request. Retired Episcopal clergy, surviving spouses, and dependents who are experiencing a specific financial challenge and are also receiving benefits from the International Clergy Pension Plan are eligible for grants.[5] (IARCA clergy and their families are not eligible.) There is a maximum lifetime benefit of $20,000 per eligible individual, and there are other limits on the total annual amount that can be granted under the Fund for Special Assistance.

Grants are not intended to pay for education expenses or long-term care expenses addressed by governmental programs. The bishop or Ecclesiastical Authority of the Episcopal diocese where the applicant resides or is canonically resident must submit a form in support of the applicant's request. The diocese must also agree to pay 10% of the grant unless waived by CPF. Each applicant must then complete and submit an application and a financial disclosure statement.

[5] *Retired clergy, surviving spouses, and dependents in Cuba will be eligible for grants from the Fund for Special Assistance after Cuba is officially re-admitted as a diocese of the Episcopal Church.*

Benefits for Your Survivors

If You Die Before You Retire

Preretirement Survivor Benefit

If you die before you retire, your eligible beneficiaries may receive a monthly preretirement survivor benefit. To be eligible, you must be an *Active* participant in the International Clergy Pension Plan (or, if you are not Active, then you must be *vested*) at the time of your death. The amount and duration of the preretirement survivor benefit will vary depending on your status under the International Clergy Pension Plan, age at the time of death, and your eligible beneficiaries.

You can name any person as your beneficiary; however, no estate or trust can be designated as a beneficiary (except in the case of disabled individuals, as described below). If anyone you designate is not considered an eligible beneficiary at the time you file a beneficiary form with CPF and/or at the time of your death, your beneficiary designation will be void. This means that no preretirement survivor benefit will be payable unless you are survived by your spouse or eligible children, as explained in more detail below.

If you name a beneficiary for the preretirement survivor benefit, the following rules will apply:

- The beneficiary must be a person. Please note that if the eligible beneficiary is disabled, a special needs trust may be designated. If you are married, your spouse must provide written, notarized consent if you do not name him or her as the sole primary beneficiary.
- If you marry after filing a beneficiary designation with CPF, your beneficiary designation will become void after CPF is notified about your marriage. In this case, your spouse becomes your beneficiary.
- If you designate more than one eligible beneficiary, the preretirement survivor benefit will be divided equally, and each beneficiary will receive only his or her own share.
- If you do not designate a beneficiary, if your beneficiary dies before you, or if your beneficiary designation is invalid or void, the preretirement survivor benefit will be paid to either
  - your surviving spouse or,
  - if you were not married, any *eligible children*.

If you do not have a spouse, any eligible children, or an eligible designated beneficiary at the time of your death, no preretirement survivor benefit will be paid from the International Clergy Pension Plan.

Preretirement Survivor Benefit Amount

If you were an *Active* participant and *eligible to retire* under the International Clergy Pension Plan at the time of your death, the preretirement survivor benefit generally will be equal to the *greater* of the following:

- 50% of the *pension benefit* that you would have received based on your actual Credited Service, projected Credited Service to age 65, and your Highest Average Compensation
- 100% of the pension benefit that you would have received based on your actual Credited Service and your Highest Average Compensation, subject to any applicable early retirement and actuarial reductions

Minimum Spousal Pension

The International Clergy Pension Plan provides a *minimum pension* to your surviving spouse. The minimum spousal pension is set at 80% of what your minimum pension would have been based on your actual Credited Service and, if applicable, projected Credited Service. CPF will automatically determine if your spouse is entitled to a minimum spousal pension.

This is how the preretirement survivor benefit works under different situations:

If you were an Active participant and were not eligible to retire under the International Clergy Pension Plan at the time of your death…	The preretirement survivor benefit generally will equal 50% of the pension benefit that you would have received based on your actual Credited Service, projected Credited Service to age 65, and your Highest Average Compensation.
If you were an Inactive participant but were otherwise vested under the International Clergy Pension Plan at the time of your death…	The preretirement survivor benefit will equal 50% of the pension benefit that you would have received based on your actual Credited Service and your Highest Average Compensation.

In addition to the preretirement survivor benefit, the following benefits may be payable:

Resettlement Benefit	If you were an Active participant at the time of your death, the *resettlement benefit* will be paid to any eligible beneficiaries. If, however, you had already received the resettlement benefit yourself (either because you went on disability retirement or because you retired and then subsequently returned to active ministry), no resettlement benefit will be payable to your eligible beneficiaries.
Christmas Benefit	Every December in which the preretirement survivor benefit is payable, a Christmas benefit equal to $25 times your actual Credited Service and, if applicable, projected Credited Service will be paid. If you have more than one eligible beneficiary who is receiving a preretirement survivor benefit, one Christmas benefit will be divided equally among all of your beneficiaries.
Discretionary Cost-of-Living Adjustments	The monthly preretirement survivor benefit will be subject to any *discretionary cost-of-living adjustments* that may be approved by CPF's Board of Trustees.

Duration of the Preretirement Survivor Benefit

How long the preretirement survivor benefit is payable depends on who and how old your beneficiary is. If your surviving spouse, disabled child, or any other person who is age 22 or older is your beneficiary, he or she will receive a monthly preretirement survivor benefit for his or her lifetime. If, however, your beneficiary has not attained age 22 as of the date of your death, payments will cease on the later of (1) the date your beneficiary turns age 22 or (2) the fifth anniversary of the date on which the first payment was made to your beneficiary.

Child Benefit

In addition to the International Clergy Pension Plan's preretirement survivor benefit, CPF provides a benefit to the *eligible children* of deceased clergy under the Child Benefit Plan.

If you are an *Active* participant in the International Clergy Pension Plan or are *vested* at the time of your death, your eligible children will receive benefits as follows:

Monthly Child Benefit	Each eligible child will receive a flat dollar monthly benefit ($610.22 as of 2019), subject to the maximum limitation described below. If an eligible child is an orphan, the monthly benefit is doubled.
Christmas Benefit	Each eligible child will receive his or her own Christmas benefit (an additional 13th check that is separate from the monthly child benefit) every December in which the monthly child benefit is payable to him or her. The Christmas benefit for each eligible child equals $25 times your actual Credited Service and, if applicable, projected Credited Service.
Cost-of-Living Adjustments	The monthly child benefit will be subject to *discretionary cost-of-living adjustments* that may be approved by CPF's Board of Trustees.
Duration of Benefit	Child benefits are paid until the eligible child reaches age 25, unless the child is disabled, as described below. If your child is disabled before age 25, he or she will receive the child benefit for life regardless of how old he or she is at the time of your death. If your child is receiving government-sponsored disability benefits, then he or she will automatically be considered disabled under the Child Benefit Plan. If your child is not receiving government-sponsored disability benefits, he or she may still be considered disabled, but only if your child's physician certifies that your child is totally and permanently incapacitated and incapable of self-support. CPF's Medical Board, designated as *Zurich*, must concur with the physician's findings. **Important note**: You should report any eligible child (or an eligible child's disability) to CPF as soon as possible to ensure that your child receives the full protection of the Child Benefit Plan in the event of your death. If CPF is notified more than two years after your death, benefits will not be paid retroactive to your death, although they may be payable going forward.
Maximum Limitation	Annual total child benefits (not including the Christmas benefit and future cost-of-living adjustments) payable to all eligible children cannot exceed your Highest Average Compensation. This limitation is determined at the time of your death. If total child benefits exceed the maximum allowable amount, the maximum amount will be divided equally among all eligible children, and each child will only receive his or her share for the duration of the benefit, as described above.

Child Benefits that Commenced Before January 1, 2018

If a child benefit commenced before January 1, 2018, the child benefit will continue to be paid under the terms of the International Clergy Pension Plan in effect prior to January 1, 2018. For any questions about the terms in effect prior to January 1, 2018, please contact our *Client Services* group.

Life Insurance Benefit

CPF makes a life insurance benefit available under the Life Insurance Plan to eligible participants in the International Clergy Pension Plan. If you die while an *Active* participant in the International Clergy Pension Plan, any beneficiaries will receive a life insurance benefit equal to six times your *Total Assessable Compensation*, up to a maximum of $150,000.

You may name anyone you wish as the beneficiary of the life insurance benefit and can change the beneficiary designation at any time. Please note, however, that if you have designated your spouse as the beneficiary of the life insurance benefit and you subsequently divorce or legally separate, your former spouse will continue to be the beneficiary unless you designate a new beneficiary or revoke your designation in writing.

If you do not name a beneficiary, your life insurance benefit will default to the first of the following categories in which there is a survivor (multiple survivors in the same category share equally):

1. Your spouse
2. Your children
3. Your parents
4. Your brothers and sisters
5. Your estate

For a schedule of benefits, please see the applicable *certificate*.

If You Die After You Retire

Post-Retirement Survivor Benefit

If you die after retirement, the person who was designated as your beneficiary at the time of your retirement will receive a benefit based on the form of payment you elected when you retired. If you elected the zero option, no benefit will be payable following your death. See *Pension Payment Options* for more information.

Child Benefit

CPF provides a benefit to eligible children of deceased retired clergy under the *Child Benefit Plan*. The benefit is the same as the benefit payable upon an Active participant's death.

Life Insurance Benefit

CPF makes a life insurance benefit available under the Life Insurance Plan to eligible retired clergy.

If you were an *Active* participant in the International Clergy Pension Plan immediately prior to your retirement, any beneficiaries will receive a life insurance benefit equal to six times your *Highest Average Compensation*, up to a maximum of $50,000.

For information about designating a beneficiary or the default beneficiary provisions that apply under the Life Insurance Plan, see *Life Insurance Benefit* at the top of this page.

Accidental Death and Dismemberment (AD&D)

If you are an Active participant in the International Clergy Pension Plan and under age 70, you may be eligible for Accidental Death and Dismemberment benefits in addition to life insurance.

Early Payment of Life Insurance Benefit

If you are an Active participant in the International Clergy Pension Plan and have been diagnosed with a terminal condition, you may be eligible for an early payment of your life insurance benefit.

For more information, please contact our *Client Services* group.

Keep Your Beneficiary Information Updated

To be sure that the preretirement survivor and life insurance benefits are paid to the beneficiaries you intend should something happen to you, it is important to keep your designations up to date, especially if you have a change in your family status (for example, marriage, divorce, dissolution of domestic partnership, birth, adoption, etc.). Please contact our *Client Services* group to request new forms or download them from our website at *cpg.org*. Please also make sure to keep your beneficiaries' contact information up to date.

Life Event Changes

There are certain life events, such as marriage, divorce, dissolution of domestic partnership, disability, birth, or adoption, that can affect your benefits under the International Clergy Pension Plan and other benefit plans. It is important that you notify our *Client Services* group as soon as possible whenever there is a change in your family status. This will help to ensure that your benefits are provided as you intend, especially in the event of your death.

If You…	Then…
…are on maternity leave	the Short-Term Disability Plan provides income replacement benefits to assist employers with expenses incurred while an *Active* participant is on maternity leave after giving birth. See the *Short-Term Disability Benefits* section for more information.
…are on paternity leave	there are no short-term disability benefits for clergy who are new fathers. If you decide to take unpaid leave in order to help care for your newborn, you may continue to earn Credited Service under the International Clergy Pension Plan and maintain your eligibility for benefits by personally paying *Assessments*.
…are between cures	or you otherwise experience a break in service, you can personally pay *Assessments* for up to 24 months in order to maintain your eligibility for benefits and continue to earn *Credited Service*.
…get married within one year before retirement	your *spouse's eligibility* for benefits, including the fully subsidized *50% survivor benefit* and the *Major Medical Supplement* could be affected.
…get married after retirement	your new spouse is not a beneficiary of the International Clergy Pension Plan and is therefore not eligible for a survivor benefit. (If you elected a marriage after retirement option before January 1, 2018, however, the spouse whom you designated will receive a survivor benefit following your death.) You may not change the *form of payment* that you elected at retirement under any circumstances; therefore, whoever you designated as your beneficiary at that time, if you did so, will receive the International Clergy Pension Plan's survivor benefit that you elected in the event of your death. If your beneficiary predeceases you and you marry after retirement, you cannot substitute your new spouse as the beneficiary, even though the person you designated at retirement is no longer living. In this case, no survivor benefit is payable following your death. A spouse whom you marry after retirement is also not eligible for the *Major Medical Supplement*. (Different rules apply if you marry after retirement and return to active ministry. Contact our *Client Services* group for more information.)

…divorce before retirement	the court that has jurisdiction over the dissolution of your marriage may require that your pension be divided with your former spouse because it constitutes marital property. The division of your pension may be determined by a divorce decree or marital property settlement agreement. In either case, if your former spouse is entitled to a share of your pension, and you would like CPF to pay that share directly to your former spouse, then you and your former spouse must agree to an assignment of your pension. The assignment also must be approved by CPF. In the event of your divorce, you should also consider whether to update your beneficiary designations for the preretirement survivor benefit and the life insurance benefit, if necessary.
…divorce after retirement	the person you designated as your beneficiary (if any) remains eligible for the survivor benefit elected at retirement. This cannot be changed. You may enter into an assignment in order to divide your pension with your former spouse, as noted above. In the event of your divorce, you should also consider whether to update your beneficiary designation for the life insurance benefit, if necessary.

Assignment Agreement

Under an assignment agreement, you assign (or transfer to) someone (usually your former spouse) the right to receive all or a portion of the pension benefits that you have earned under the International Clergy Pension Plan. Both you and your former spouse must sign the assignment agreement and agree to its terms. In addition, CPF must approve this agreement.

Unless an assignment has been approved, CPF will not pay any portion of your pension to your former spouse. However, even if you do not have an approved assignment, you may still be legally obligated to pay a portion of your pension directly to your former spouse, if required by your divorce decree and/or marital property settlement agreement.

If you are about to enter or have entered the divorce process, we recommend that you call our *Client Services* group well before your court date.

Tax Implications of an Assignment

Even though CPF will be paying all or a portion of your pension benefits to your former spouse under an assignment agreement, the tax liability for those payments may remain *your* responsibility. In other words, you may be responsible for paying any applicable taxes on the benefits that are assigned to your former spouse. Please consult your tax advisor for more information.

The Appeals Process

Appeal **Not** Related to a Disability

First-Level Appeal

If you, your beneficiary, or any other person (a "claimant") believes that he or she has been denied benefits under the International Clergy Pension Plan or any other benefit plan described in this Guide, the claimant may file an appeal with CPF, which will be subject to a full and fair review. A filed appeal must

- be in writing,
- be submitted by either the claimant or his or her authorized representative, and
- provide detailed reasons, including any supporting evidence, about why the claimant believes that CPF's initial decision was incorrect.

You should submit a first level appeal to

Church Pension Group
P.O. Box 2745
New York, NY 10163-2745
Attn: Appeals – First-Level Review

The claimant generally will receive a written response to his or her appeal within 60 days after the appeal is received by CPF. If CPF needs additional time (up to 60 days) to review the appeal, the claimant will be notified of the reason for the delay and the anticipated response date, which may not exceed a total of 120 days from the date CPF receives the appeal.

If CPF denies the appeal, in whole or in part, CPF's written response to the claimant will include

- the specific reason or reasons for the denial,
- specific reference to the applicable plan's provision or provisions on which the denial is based, and
- description of the applicable plan's procedures for filing a second-level appeal.

Second-Level Appeal

Within 60 days following the date the claimant receives CPF's denial letter for the first-level appeal, the claimant, or his or her authorized representative, may submit a second-level appeal to CPF. (CPF may, in its sole discretion, extend the 60-day period to file a second-level appeal.)

The appeal must be in writing and should give a detailed explanation of why the claimant believes the first-level appeal should not have been denied. It should also include any other documents or supporting information that may have a bearing on the appeal. The second-level appeal will be subject to a full and fair review that does not give deference to the determination of the first-level appeal. You should submit a second-level appeal to

Church Pension Group
P.O. Box 2745
New York, NY 10163-2745
Attn: Benefit Appeals Committee

The claimant will generally receive a written response to his or her second-level appeal within 90 days after it is received by CPF. If CPF needs additional time (up to 90 days) to review the second-level appeal, the claimant will be notified of the reason for the delay and the anticipated response date, which may not exceed a total of 180 days from the date CPF receives the second-level appeal.

If the second-level appeal is denied, CPF's written response will give the specific reason for the denial and the applicable plan's provision or provisions on which the final denial decision is based.

Appeal Related to a Disability

First-Level Appeal

If an appeal relates to whether or not a claimant is disabled under one of CPF's benefit plans, the first-level appeal should be submitted to the Medical Board, *Zurich*. Zurich will provide a description of its appeals procedures if and when a disability claim is denied.

If a Disability Claim is Denied

Disability benefits will be suspended. However, if the denial is subsequently overturned, disability benefits may be paid retroactively.

Second-Level Appeal

After Zurich's appeals procedures have been exhausted and the denial determination has been upheld, the claimant, or his or her authorized representative, may submit a second-level appeal to CPF. This must be done within 180 days after the date the claimant receives Zurich's denial letter for the first level appeal. (CPF may, in its sole discretion, extend the time period to file a second level appeal.)

The appeal letter must be in writing and should give a detailed explanation of why the claimant believes the first-level appeal should not have been denied. It also should include any other documents or supporting information that may have a bearing on the appeal. You should submit a second level appeal to

Church Pension Group
P.O. Box 2745
New York, NY 10163-2745
Attn: Benefit Appeals Committee

The second-level appeal will be subject to a full and fair review that does not give deference to the determination of the first-level appeal. CPF may, in its sole discretion, consult with an independent expert of its choosing when it reviews the second-level appeal.

The claimant will generally receive a written response to his or her second-level appeal within 90 days after it is received by CPF. If CPF needs additional time (up to 90 days) to review the second-level appeal, the claimant will be notified of the reason(s) for the delay and the anticipated response date, which may not exceed a total of 180 days from the date CPF receives the second-level appeal.

If the second-level appeal is denied, CPF's written response will give the specific reason for the denial and the applicable plan's provisions on which the final denial decision is based.

After CPF's Final Determination

A claimant may not file a civil suit until he or she has exhausted the appeals procedures outlined above. If a claimant is not satisfied with CPF's final determination (of the second-level appeal), the claimant must file a civil suit within 180 days after receiving CPF's final determination. As a participant or beneficiary in a CPF benefit plan, the claimant has consented to the venue and exclusive jurisdiction of the courts located in New York City. Therefore, any civil action must be filed in New York City.

Glossary of Terms

Active You are considered an Active participant if

- you are *regularly employed* and *enrolled* in the International Clergy Pension Plan, have earned at least one month of *Credited Service*, and *Assessments* are no more than 24 months past due, or
- your enrollment in the International Clergy Pension Plan has ended because you are no longer employed and no more than six calendar months have passed following your last day of employment (referred to as a "six-month grace period"), or
- your six-month grace period is over, and you have paid *personal Assessments* for each month following your last day of employment up to the current month, or
- you have earned 25 or more years of Credited Service, or
- you were classified as Deemed Active as of December 31, 2017. (In general, being Deemed Active means that you were eligible to retire at the time you stopped earning Credited Service. As of January 1, 2018, Deemed Active is no longer a status under the International Clergy Pension Plan.)

In addition, if you are Active at the time that you are approved for disability benefits, you will be considered Active under the International Clergy Pension Plan as long as you are receiving disability benefits.

Notwithstanding the rules above, if you are deposed or removed in accordance with the Constitution and Canons or under similar rules for IARCA, you generally will not be considered Active unless you have earned 25 or more years of Credited Service or were classified as Deemed Active as of December 31, 2017.

Assessment(s) These are the contributions that your employer is required to pay CPF on your behalf. The contribution amount is equal to 18% of your *Total Assessable Compensation*. If you are employed by multiple employers, each one is billed based on the portion of your Total Assessable Compensation that it pays or provides to you.

There are certain situations in which you may pay *personal Assessments*.

Assessments are used to fund the benefits that CPF and IARCA provide to eligible clergy and their beneficiaries, including pension, post-retirement health, disability, life insurance, and other death benefits.

Assignment An arrangement that has been approved by CPF that is used to divide your pension with someone else (usually your former spouse). An assignment may be used only for the International Clergy Pension Plan. See *Life Event Changes* for more information.

Child Benefit Plan The Church Pension Fund Clergy Child Benefit Plan, as amended from time to time.

Church The Episcopal Church.

Clergy Pension Plan The Church Pension Fund Clergy Pension Plan, as amended from time to time (for Episcopal clergy serving in the domestic dioceses of the Church).

Constitution and Canons The Constitution and Canons for the Government of the Protestant Episcopal Church in the United States of America, otherwise known as the Episcopal Church, as amended from time to time.

CPF The Church Pension Fund, a New York State not-for-profit corporation.

CPF is the plan administrator of the benefit plans explained in this Guide. As the plan administrator, CPF is responsible for the operation of the plans, including interpreting plan provisions and authorizing benefit payments. The plan administrator has the power and authority to interpret and construe the provisions of a plan and has sole discretion in making determinations under a plan. This includes but is not limited to determinations of fact and eligibility for benefits, and deciding any dispute that may arise regarding the rights of participants or their beneficiaries under a plan.

All interpretations and decisions of the plan administrator are final and binding on all interested parties. The plan administrator may delegate any or all of this authority to a third party. To the extent that the plan administrator has delegated its authority, the third party has all of the powers and responsibility of the plan administrator.

Credited Service The years and months for which full *Assessments* have been paid by your employer on your *Total Assessable Compensation* and, if applicable, for which you have *personally paid Assessments*. For each month that the applicable Assessment is paid in full, you earn one month of Credited Service for all benefits (pension, life, and the *Major Medical Supplement*).

Credited Service is used to calculate your pension benefit and to determine your status (*Active/Inactive*) under the International Clergy Pension Plan and your eligibility for, and the amount of, the Major Medical Supplement.

Disabled (for purposes of disability retirement under the International Clergy Pension Plan) You are unable to perform the material and substantial duties of your own job for the first 24 calendar months following approval of disability retirement benefits. After this 24-month period, you will be considered disabled if you are unable to perform any occupation by which you are able to earn at least 80% of your *Highest Average Compensation*, as determined immediately prior to your disability. Interpersonal conflicts or environmental or other hazards in the workplace will not be a factor considered when determining whether you can perform your own job.

Early retirement age Age 55 through age 64.

Ecclesiastical Authority The Ecclesiastical Authority of a diocese as determined under the Constitution and Canons.

Eligible children Eligible children include these:

- Your legal child who was living on the date that you stopped earning *Credited Service* under the International Clergy Pension Plan (or was born or adopted within 12 months thereafter); and
- A stepchild, foster child, or legal ward who was your "tax dependent" (as defined below) in the calendar year in which you stopped earning Credited Service (or in the calendar year immediately following the year in which you stopped earning Credited Service) and in the calendar year of your death.

- ~ A "tax dependent" for this purpose is a stepchild, foster child, or legal ward who (1) lives in the same long-term (not temporary) residence as you for more than half of the year at issue, (2) is younger than you and is also younger than age 19 at the end of the year (or age 24, if he or she is a student or disabled), and (3) does not provide more than half of his or her own support for the year.

In addition, an eligible child must be under the age of 25 at the time of your death or must be disabled. If disabled, an eligible child must have become disabled prior to attaining age 25. (CPF will consider a child to be disabled if he or she is receiving government-sponsored disability benefits or has been determined to be disabled by *Zurich*.)

Eligible spouse

The person to whom you are legally married (1) both on the date that you stop earning *Credited Service* and on your retirement date or (2) on the date of your death, whichever occurs first. In addition, a spouse is an eligible spouse only if you earn at least 12 months of Credited Service while married to him or her.

An eligible spouse is entitled to full spousal benefits, including a fully subsidized *50% survivor benefit* (or, if applicable, a *minimum spousal pension*) from the International Clergy Pension Plan and the *Major Medical Supplement*, but only if you yourself are eligible for the supplement. (A different rule applies if you retire, return to active ministry, and re-retire with a spouse to whom you were not married on your initial retirement date.)

A civil union or domestic partnership does not constitute a marriage under the International Clergy Pension Plan.

Employer

An organization that is required to pay *Assessments* to CPF on behalf of an Episcopal or IARCA cleric, including these:

- Any organization that is subject to the authority of the Episcopal Church or IARCA
- Any organization that is associated with the Episcopal Church or IARCA and elects to participate in the International Clergy Pension Plan

The employer paying Assessments on your behalf could be, for example, the parish where you provide services or the diocese where the parish is located, depending on the arrangement in your diocese.

Employer-provided housing

A physical residence that is owned or rented directly by the employer or that the employer arranges to provide cost-free to you. A physical residence owned or rented directly by you is not considered employer-provided housing even if your employer pays or reimburses you for the full amount of the mortgage or rent.

Extension of Ministry

The ability to participate in the International Clergy Pension Plan if you exercise active ordained ministry in pastoral, educational, or social work at a non-Episcopal or non-IARCA organization or any society, organization, or body associated with the Episcopal Church or IARCA that has not elected to participate in the International Clergy Pension Plan. See *Types of Participation* for more information.

Highest Average Compensation

If you earn *Credited Service* on or after January 1, 2018, the average of the seven highest-paid, non-overlapping, 12-month periods during which you earned Credited Service over your entire career.

Hypothetical Minimum Compensation

The following table shows the Hypothetical Minimum Compensation by diocese:

	Hypothetical Minimum Compensation	
Diocese	**Annual**	**Monthly**
Columbia	$960	$80
Costa Rica	$1,800	$150
Dominican Republic	$5,280	$440
Ecuador Central	$1,800	$150
Ecuador Litoral	$1,200	$100
El Salvador	$1,800	$150
Guatemala	$1,560	$130
Haiti	$2,640	$220
Honduras	$1,560	$130
Nicaragua	$2,640	$220
Panama	$2,040	$170
Taiwan	$6,000	$500
Venezuela	$1,200	$100
Virgin Islands (British only)	$13,560	$1,130

IARCA

Iglesia Anglicana de la Región Central de América, which is comprised of the following dioceses:

- Costa Rica
- El Salvador
- Guatemala
- Nicaragua
- Panama

Inactive

Under the International Clergy Pension Plan, you will be an Inactive participant if

- your *enrollment* in the International Clergy Pension Plan has ended because you are no longer employed, more than six calendar months have passed following your last day of employment, and you have not paid *personal Assessments* (or your personal Assessments are past due), or
- you are *regularly employed* and enrolled in the International Clergy Pension Plan, but your employer has not paid *Assessments* for more than 24 months, or
- you are not otherwise *Active*.

In addition, if you are Inactive at the time that you are approved for disability benefits, you will be considered Inactive under the International Clergy Pension Plan as long as you are receiving disability benefits.

Notwithstanding the rules above, if you are deposed or removed in accordance with the Constitution and Canons or under similar rules for IARCA, you generally will become Inactive as of the first day of the month following your deposition or removal.

International Clergy Pension Plan

International Clergy Pension Plan, as amended from time to time.

Life Insurance Plan

The Church Pension Fund Clergy Life Insurance Plan, as amended from time to time.

Major Medical Supplement

A monthly cash payment that CPF provides to eligible retired clergy and their eligible spouses or surviving spouses under the Post-Retirement Medical Plan. It is intended to help with the cost of healthcare in retirement. See *Post-Retirement Health Benefits* for more information.

Mandatory Church Retirement Age

Age 72. (This is the mandatory retirement age in the Episcopal Church. If you are an IARCA cleric, your bishop or diocese may require that you retire at age 70. In no event can you delay your retirement beyond age 72.)

Non-domestic dioceses (of the Episcopal Church)

Here are the non-domestic dioceses that participate in the International Clergy Pension Plan:

- Colombia
- Cuba (pending re-admission to the Episcopal Church)
- Dominican Republic
- Ecuador Central
- Ecuador Litoral
- Haiti
- Honduras
- Puerto Rico*
- Taiwan
- Venezuela
- Virgin Islands (British only)

** If you are an Episcopal cleric serving in the Diocese of Puerto Rico, you participate in the International Clergy Pension Plan for tax reasons. However, the benefits that you receive are identical to the benefits provided to participants in the Clergy Pension Plan. Those benefits are described in "A Guide to Clergy Benefits," and you should use that guide as your reference but understand that the tax treatment of your benefits may be different.*

Normal Retirement Age

Age 65.

Post-Retirement Medical Assistance Plan

The Church Pension Fund Clergy Post-Retirement Medical Assistance Plan, as amended from time to time.

Retired

You will be a retired participant if you have started to receive your pension benefits from the International Clergy Pension Plan and have not subsequently returned to active ministry.

Short-Term Disability Plan

The Church Pension Fund Clergy Short-Term Disability Plan, as amended from time to time, which provides a benefit for International Clergy Pension Plan participants who are on maternity leave after giving birth.

Total Assessable Compensation

The sum of the following annualized amounts* on which your employer is required to pay *Assessments*:

1. Base salary (excluding housing) and scheduled taxable cash payments
2. Cash housing allowance and/or utilities
3. Employer contributions to a qualified and/or non-qualified plan
4. One-time payments (applies to month when paid)
5. The value of *employer-provided housing*, which equals 30% of the sum of #1 through #4 above. (However, if the sum of #1 through #4 above is less than the *Hypothetical Minimum Compensation*, then the value of employer-provided housing equals 30% of the Hypothetical Minimum Compensation.)

Note that if the only type of compensation that your employer provides is housing, then your Total Assessable Compensation equals 30% of the Hypothetical Minimum Compensation.

** Any form of severance (including pay continuation following a termination of employment) should be excluded in all cases. In addition, employer-paid tuition for dependents is not assessable unless it is taxable, and imputed income is not assessable.*

Zurich

Zurich American Life Insurance Company (Zurich) is the organization designated as CPF's Medical Board.

Contacts

Client Services	For assistance with the following: • Pensions • Life insurance • Annuities • Retirement savings • Disability	(866) 802-6333 Monday – Friday, 8:30AM – 8:00PM ET (excluding holidays) *benefits@cpg.org* The Church Pension Fund 19 East 34th Street New York, NY 10016
Financial and Life Planning	For planning your financial future, including reviewing your retirement needs and goals and understanding your benefit choices	(888) 735-7114 Monday – Friday, 8:30AM – 8:00PM ET (excluding holidays)
Tax Hotline	For general questions concerning United States income tax matters affecting clergy	Nancy N. Fritschner, CPA (877) 305-1414 The Rev. Canon Bill Geisler, CPA (ret.) (877) 305-1415 Dolly Rios, CPA (833) 363-5751
Zurich		Member Services: (800) 206-8826 *zurichna.com/myzurichbenefits* (first time users click on Register Now)

This Guide is provided for informational purposes and should not be viewed as investment, tax, or other advice. This Guide reflects the rules in effect as of January 1, 2019. This Guide is the official plan document for the International Clergy Pension Plan, which provides the following benefits: pension, disability retirement, preretirement survivor benefit, post-retirement survivor benefit, resettlement benefit, and Christmas benefit. The official plan documents for the Short-Term Disability Plan (for maternity leave benefits), Post-Retirement Medical Assistance Plan (for the Major Medical Supplement), Life Insurance Plan, and Child Benefit Plan will govern those other benefits. In the event of a conflict between this Guide and the official plan documents, the terms of the official plan documents will govern.

CPF and its affiliates and/or IARCA reserve the right to amend, terminate, or modify the terms of any benefit plans described in this Guide at any time, without notice, and for any reason. The International Clergy Pension Plan is a non-qualified plan and is not subject to section 401(a) or 409A of the United States Internal Revenue Code of 1986, as amended. In addition, as a church plan, it is not subject to the Employee Retirement Income Security Act of 1974, as amended. An independent audit of the International Clergy Pension Plan's financial condition is disclosed in the Church Pension Group Annual Report, which is available on our website at cpg.org.

CPF plans to continue to provide the Major Medical Supplement. However, CPF must maintain sufficient liquidity and assets to pay its pension and other benefit plan obligations. Given uncertain financial markets and their impact on assets, CPF has reserved the right, in its discretion, to change or discontinue providing a Major Medical Supplement.

Life insurance is offered by or through Church Life Insurance Corporation, 19 East 34th Street, New York, NY 10016 (Church Life). Like most insurance policies, Church Life's policies contain exclusions, limitations, reductions of benefits, and terms for keeping them in force. For complete details of coverage, including exclusions, limitations, and restrictions, please consult the actual policy or certificate. Products and features may not be available in all states. If the descriptions of the Church Life products in this document conflict with the terms of the actual policy, then the terms of the actual policy will govern.

In the event of a conflict between the terms of the English version of this Guide and the Spanish version of this Guide, the terms of the English version will control.