

Eligibility and Participation Schedule

With this Eligibility and Participation Schedule ("Schedule"), the _____ ("Organization") affirms the Servant Solutions Retirement Plan ("Plan") as the approved employer retirement plan of the Organization and sets forth the rules and procedures for the Organization's participation in the Plan. This Schedule and any separately documented practices and procedures adopted by the Organization (including employee handbook, organizational minutes and other related documents) accurately describe the Plan and the practice of the Organization with respect to such Plan, and are all incorporated by reference and made part of the Plan.

The initial effective date of these rules and procedures is _____, 20_____. These rules and procedures remain in effect until they are changed by the Organization.

Unless permitted under Internal Revenue Code (IRC) provisions and otherwise approved by the Organization, **only employees who receive W-2 income are eligible to participate in the Plan.**

Rules and Procedures for Contribution and Eligibility

Section 1 – Compensation

Checkmark all items to be considered as Compensation for purposes of determining Contributions to the Plan:

- ☐ Salary. Defined: "Salary" means the fixed salary or wages paid by the Organization to an employee, or self-employment income earned in the performance of ministry by a minister, including any contributions to a cafeteria plan under IRC Section 125. In the case of an employee who is a minister, Salary also includes any housing allowance. For a minister who is furnished the free use of a residence (a parsonage), Salary also includes the fair rental value subject to self - employment tax (SECA).
- ☐ Other: _____

Section 2 - Employee Contributions (from their own pay)

Checkmark the employees who will be eligible to make Participant Before-Tax Contributions, Roth and/or After-Tax Contributions:

- ☐ All employees will be eligible.

Or

- ☐ Only employees who meet the following service requirements below will be eligible:
- ☐ Expected and/or regularly work _____ hours or more per _____ (week, month, year)
- ☐ Other: _____

Or

- ☐ Other: _____

NOTE: There are special rules that apply to non-QCCOs that limit their ability to restrict employees from making Participant Before-Tax and Roth Contributions. These employers must comply with the "universal availability" rule. That means that all employees working 20 or more hours a week must be allowed to make Participant Before-Tax and Roth Contributions.

Checkmark when an eligible employee can begin participation in the Plan:

- ☐ The first day the employee meets the Plan's above eligibility requirements
- ☐ Other: _____

While employed with the Organization, an eligible employee may make the following types of Contributions to the Plan:

Participant Before-Tax Contributions
Participant After-Tax Contributions
Roth Contributions

Section 3 - Employer Contributions

Checkmark the employees who will be eligible to receive Employer Contributions to the Plan:

☐ All Employees will be eligible

Or

☐ Only Employees who meet the service requirements checked below will be eligible:

Select all that apply:

☐ Must be age _____ or older

☐ Must complete _____ months or more of service

☐ Past church/church-related employers' service of new hires ☐ will ☐ will not be counted

☐ Past service of former employees who are rehired ☐ will ☐ will not be counted

☐ Expected and/or regularly work _____ hours or more per _____ (week, month, year)

☐ Other: _____

NOTE: For Organizations that are non-QCCOs, Employer Contributions generally must not discriminate in favor of highly compensated employees. Annual testing by the employer's Human Resources Department and/or legal counsel may be required to avoid violation.

Checkmark the types of Employer Contributions that will be provided to eligible employees (as defined above):

☐ Non-Matching Contributions (if applicable, select one of the following options):

☐ Fixed percentage equal to _____ % of the employee's Compensation

☐ A percentage of the employee's Compensation based on the following years of service schedule:

COMPLETED YEARS OF SERVICE

PERCENTAGE OF Compensation

Less than _____ Year(s) _____ %

_____ Year(s) _____ %

_____ Year(s) _____ %

_____ Year(s) _____ %

_____ Year(s) or more _____ %

☐ Other: _____

☐ Matching Contributions (if applicable, select one of the following options):

☐ Qualified student loan payments will be treated as elective deferrals for purpose of matching contributions for employees submitting a self-certification form.

☐ A matching Contribution equal to the employee's Contribution, but not to exceed a maximum of _____ % of Compensation. (ex. 10%)

☐ A matching Contribution equal to _____ % (ex. 75%) of the employee's Contribution, but not to exceed a maximum of _____ % of Compensation. (ex. 10%)

☐ A matching Contribution based on years of service: Matching Contribution of _____ % of an employee's Compensation for each _____ years of service but not to exceed a maximum of _____ % of Compensation (ex. 10%)

☐ Other: _____

Note: A non-matching fixed percentage equal to 11% of Salary is a recommended employer-paid rate of contribution. Any match or basic Employer Contribution that comes from the Church/Employer must be a before-tax contribution.

Section 4 – Safe Harbor Election *(for mid-year transitions from a SIMPLE IRA)* [elect one]

- ☐ For the Plan Year, the Employer elects to make a three percent (3%) Safe Harbor ACP Nonelective Contribution on behalf of each Eligible Employee, or
- ☐ For the Plan Year, the Employer elects to make a Safe Harbor basic ACP Matching Contribution on behalf of each Eligible Employee equal to:
1. One hundred percent (100%) of the amount of the Member's Before-Tax and Roth Contributions that do not exceed three percent (3%) of Salary for the Plan Year, plus
 2. Fifty percent (50%) of the amount of the Member's Before-Tax and Roth Contributions that exceed three percent (3%) of Salary but that do not exceed five percent (5%) of Salary for the Plan Year, or
- ☐ For the Plan Year, the Employer elects to make a Safe Harbor enhanced ACP Matching Contribution on behalf of each Eligible Employee equal to ____ percent *[number must be between 4% and 6%]* of the amount of the Member's Before-Tax and Roth Contributions.

Rules and Procedures Execution

By signing below, the Organization by its duly authorized officer or other representative hereby affirms the Servant Solutions Retirement Plan as the approved employer provided retirement plan of the Organization and agrees to the rules and procedures as indicated above. The Organization, by its duly authorized officer or representative has executed this document, on this _____ day of _____, 20____.

Name of Organization: _____

Authorized officer or representative signature: _____

Printed name: _____

Title: _____

Once submitted to Servant Solutions, a copy of this document should be retained by the Organization, and updated whenever changes are made.

Notes:

For clarity in understanding, the common terms of "Participant" and "Organization" are used in this document rather than the terms of "Member" and "Congregation" defined in the Servant Solutions Retirement Plan document.

Non-Qualified Church Controlled Organizations (colleges, universities, retirement homes, etc.) must comply with coverage and non-discrimination regulations related to their retirement plan(s). Consult with your legal advisor and visit www.servantsolutions.org for more information.

Internal Revenue Code (IRC) contribution limits are typically generous for church plan participants. To assure IRC contribution limits are not exceeded, employers can review plan contribution limits in IRS publication 517. These limits are also described at www.servantsolutions.org.