Summary Plan Description

for the

Archdiocese of Denver Lay Employees'

Money Purchase Pension Plan

Updated July 1, 2022

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Take Charge of Your Financial Future with the Archdiocese of Denver Lay Employees' Money Purchase Pension Plan

Introduction

Retirement is a time when most of us look forward to traveling, spending more time with loved ones, and pursuing dreams. To enjoy our retirement years, we need to make sure we have the financial resources to do so.

That's where the Archdiocese of Denver Lay Employees' Money Purchase Pension Plan (the **Lay Plan**) can help make your retirement years more comfortable and secure.

The Lay Plan is designed to help you build retirement income, while you are still working.

The benefits from the Lay Plan, when combined with Social Security and your personal savings, can help you to achieve a solid financial base to help you enjoy your retirement years.

The Lay Plan provides benefits for certain employees of the Archdiocese of Denver, the parishes within its territory, and select other Church employers located in Northern Colorado.

In this document, the term "**Employer**" is used to refer to the participating employers in the Lay Plan and, with respect to your Lay Plan participation, the employer that employs you.

The following features make the Lay Plan an ideal way for you to build retirement income:

- **Participation is automatic.** If you are an Eligible Employee, you automatically participate in the Lay Plan on your first day of work as an Eligible Employee. You may not waive participation in the Lay Plan.

- **No cost to you.** Your Employer makes a contribution to your Lay Plan account equal to 6% of your Eligible Compensation. Employees may not contribute to the Lay Plan.

- **Tax-deferred growth.** You do not pay taxes on the contributions or investment earnings until you receive money from the Lay Plan.

- **Investments.** You select what percentage and in which funds you want to invest your account balance.

- **Vesting of your Lay Plan account.** You begin to vest in a portion of your Lay Plan account balance after you complete three (3) years of service, with full vesting occurring after five (5) years of service. However, you become 100% vested if you are still employed with your Employer when you reach age 65, become totally disabled, or die.

- **Quarterly statements.** Each quarter, you can access your statement showing your Lay Plan account value on-line at the website of the Lay Plan's recordkeeper: Principal Life Insurance Company (**Principal**), website: www.principal.com.

- **When you may receive your Lay Plan account.** You may receive the value of your vested account balance when you terminate employment, die or become totally disabled (if you qualify). Payment is made to your beneficiary(ies) if you die. Additionally, there is an in-service payment option available at age 65 if you are working part-time.

This document is called a ‘Summary Plan Description’ (**SPD**). It contains information you need to know about the Lay Plan and is intended to provide a general overview of Lay Plan provisions.

If there is a conflict between this SPD and the Lay Plan document, the terms of the Lay Plan document control.

At the top of each section, there is a brief overview of the information found in that section. In addition, important terms are defined throughout this SPD. If you have any questions about the Lay Plan after reading this SPD, please contact the Office of Human Resources at the Archdiocese of Denver Management Corporation.

Eligibility and Participation

If you are an Eligible Employee, you automatically participate in the Lay Plan on your first day of employment as an Eligible Employee.

Eligibility

If you are an **Eligible Employee** (a lay employee regularly scheduled to work at least 30 hours per week), you are eligible to participate in the Lay Plan on the first day you are employed by your Employer. For eligibility purposes, a "**lay employee**" includes:

- non-religious employees;
- teachers under contract or other parish school/school employees regularly scheduled to work at least 30 hours per week during the academic year as established at your parish school or school;
- certain members of the permanent diaconate; and
- non-canonical religious employees (e.g., Brothers who belong to an order that is not recognized by the Holy See).

Excluded Employees are not eligible to participate in the Lay Plan.

Excluded Employees are:

- part-time employees (employees who are regularly scheduled to work no more than 29 hours per week for a single Employer);
- religious employees (except as described above);
- employees who are incardinated as Priests into the Archdiocese;
- non-contracted teachers and substitute teachers;
- project workers with specific hire and termination dates;
- seasonal employees;
- temporary employees;
- event workers, and
- on-call or as-needed employees.

In addition, leased employees and independent contractors (or employees of independent contractors) are not eligible to participate in the Lay Plan.

When You Begin To Participate

You automatically begin to participate in the Lay Plan when you become eligible. You may not waive participation in the Lay Plan.

To enroll and select the investment funds in which you want to invest your account balance, visit the Principal Retirement Service Center at www.principal.com to set up your on-line access. If no fund(s) is/are selected prior to your Employer's first contribution, your account balance will be invested in the default fund. You must access the Principal Retirement Service Center by calling 800-547-7754 or visiting www.principal.com to change your investment direction.

You will also need to complete a Designation of Beneficiary Form through your on-line account access. Your beneficiary is the person who will receive benefits from your Lay Plan account if you die before you receive the money in your account. You may name anyone you wish as your beneficiary(ies). You may change your beneficiary(ies) at any time by completing a new Designation of Beneficiary Form.

If you are a Lay Plan participant when you leave employment and are later rehired and are deemed eligible to participate in the Lay Plan, then you will automatically begin to participate in the Lay Plan on your rehire date.

If you become eligible to participate in the Lay Plan because your employment classification changes, your participation begins immediately.

If your employment status changes from full-time to part-time, you may be eligible to earn additional vesting credit for the contributions previously made to the Lay Plan while you were a full-time employee.

NOTE: If you are a new hire, you may not have access to your Lay Plan account until you receive the 'Welcome' materials from Principal. Principal will mail the Welcome letter to the address you have on file with your Employer during the quarter that *follows* your hire date. If you do not receive the Welcome materials, please call Principal at 800-547-7754.

Your Lay Plan Account

Your Lay Plan account is made up of contributions that your Employer makes on your behalf, any account balance rolled over from the Archdiocese of Denver Lay Employees' Pension Plan (the 'Old Pension Plan'), any rollover contributions you make, and investment earnings/losses. You are neither required nor allowed to make contributions to your Lay Plan account – your Lay Plan account is completely funded by your Employer.

Your Employer's Contributions – Employer 'New Pension' Contributions

For each Plan Year, your Employer will make a contribution to your Lay Plan account that is equal to 6% of your Eligible Compensation. The money your Employer contributes on your behalf grows tax-deferred until you receive it from the Lay Plan. "**Tax-deferred**" is another way of saying that you don't pay taxes immediately on the money that your Employer contributes to your account for your benefit. Rather, you pay taxes on the money when you receive it.

Your **Eligible Compensation** is your basic earnings, including (but not limited to) wages, salaries, commissions paid to salespeople, bonuses, overtime pay, and tips from any Employer participating in the Lay Plan while you are an Eligible Employee. Your Eligible Compensation also includes any elective contributions to a Section 125 plan, Section 403(b) plan or Section 401(k) plan, but does not include any Employer contributions to such plans or to the Lay Plan. Your Eligible Compensation does not include the following: cash or cash equivalent gifts that are excluded from your income, disability payments from a third-party administrator, payments reported on a Form 1099-MISC, Employer contributions to and distributions from a deferred compensation plan, amounts realized when restricted property becomes vested or transferable, other amounts which receive special tax benefits, such as premiums for group term life insurance that are not includible in income, severance pay paid after the Plan Year in which you terminate employment, pay for seasonal employment from an Employer with which you do not have a full-time position, and any payment made while you are not an Eligible Employee. In addition, Eligible Compensation does not include pay for part-time employment unless: (i) you are employed by another Employer as a full-time employee; or (ii) you are also employed by another Employer as a part-time employee and, taking into account employment with both Employers, you are regularly scheduled to work at least 30 hours per week.

Compensation received during a Plan Year in excess of an amount specified by the IRS (for 2021, the amount is $290,000; for 2022 the amount is $305,000) will not be counted as Eligible Compensation. This amount is periodically adjusted for inflation.

Eligible Compensation also includes regular compensation, such as salary or wages, and payments for unused accrued sick leave or vacation, that is paid within 2½ months after you terminate employment or, if later, by the end of the year in which you terminate employment.

The above definition of Eligible Compensation is only a summary. The terms of the Lay Plan defining Eligible Compensation provide more detail regarding this definition.

Employer 'Old Pension Plan' Contributions

Your Lay Plan account may also include Employer contributions under the plan rolled over into the current

Archdiocese of Denver Lay Employees' Money Purchase Pension Plan. Your Employer 'Old Pension Plan' contributions consist of tax-deferred money. You pay taxes on this money when you receive it.

Rollover Contributions

If you received a payment from a former employer's qualified plan, 403(a) annuity plan, 403(b) tax-sheltered annuity or governmental 457(b) plan, or a traditional IRA that is an "**eligible rollover distribution**" (see the section entitled "Direct Rollovers", below), you may roll over the amount into your Lay Plan account. You may also roll over an eligible rollover distribution you received as a surviving spouse or as an alternate payee under a qualified domestic relations order. Only the pre-tax portion and earnings on such distributions are eligible to be rolled over (after-tax money, meaning money that has already been taxed, is not eligible). In addition, you may not roll over funds from a Roth IRA.

You may make a rollover contribution either directly (a "Direct Rollover") or by making the payment yourself. When you make a Direct Rollover, you arrange for your distribution to be transferred directly from your former employer's qualified plan, 403(a) annuity plan, 403(b) tax-sheltered annuity or governmental 457(b) plan, or from a traditional IRA. Otherwise, you may elect to have the money paid to you, and then you present your check to the Lay Plan's Trustee. In this case, you must make a rollover contribution within 60 days of receiving the distribution from the former plan or IRA to avoid immediate taxes.

You may not withdraw your rollover contributions to the Lay Plan until you are entitled to a distribution of your Employer contributions.

If you want to make a rollover contribution, visit with a Principal Retirement Service Center representative to complete a Rollover Form. Be sure to provide a statement from your former employer or the rollover IRA indicating the amount that was distributed to you, and the portion of after-tax money, if any, included in the distribution.

If your rollover contribution includes a distribution from a former employer's qualified retirement plan, you may need to provide information about the status of that plan to confirm the Lay Plan is able to accept the rollover.

Investment Earnings/Losses

Any investment earnings or losses are posted to your Lay Plan account each business day in which the U.S. financial markets are open.

The Advantages Of Tax-Deferred Growth

Over the years, your Lay Plan account can add up to a substantial amount. The money in your account grows tax deferred – you do not pay taxes on it until you receive it. Also, all earnings grow tax-deferred. As the earnings grow and are reinvested for future growth, your account balance will be an important part of the financial security you are working toward.

Vesting of Your Lay Plan Account

You begin to vest in a portion of your Lay Plan account balance after you complete three (3) years of service, with full vesting after five (5) years of service. You also automatically vest in 100% of your account balance if you are still employed with your Employer when you reach age 65, become totally disabled, or die.

If you are employed with your Employer on or after January 1, 2001 (note that a different schedule applied prior to 2001), you become vested in your account pursuant to the following vesting schedule:

Years Of Service Completed	*Percentage Vested*
Fewer than 3 years	0%
3 years	33%
4 years	67%
5 years	100%

You are also 100% and immediately vested in your Lay Plan account and its earnings if you are still employed with an Employer when you reach age 65, become totally disabled, or die.

A year of service is a 365-day period of employment as an Eligible Employee, beginning with your first day of employment and ending on your severance from service date (as defined below). Periods of employment before you become an Eligible Employee do not count toward years of service. Periods of employment after you cease to be an Eligible Employee generally do not count toward years of service. However, if you are a Participant and you become an Excluded Employee because you begin working part-time (less than 30 hours per week), years of service for vesting purposes will generally include the periods during which you continue working as a part-time employee.

Periods of less than 365 days are disregarded. However, if you are a teacher under contract or another school employee who works the full academic year, you will receive credit for one year of service for the academic year even if you do not renew your contract at the end of the year.

If you have a severance from service and you are rehired by an Employer as a full-time employee or a part-time employee within seven (7) years from your last severance from service date and then subsequently remain employed for at least 6 months, your prior periods of service will count for determining your years of service, and, if applicable, any forfeited non-vested account balance will be restored.

Severance From Service

If you leave employment with your Employer, you will have a "**severance from service**" date. Your severance from service date is the earlier of:

- the date you resign, retire, are laid off, discharged or die, or
- the first day of the 15th consecutive month from the date you are first absent from work (with or without pay) for a reason not described above, such as disability, vacation, holiday, sickness or a

leave of absence, including an unpaid leave of absence per the Family and Medical Leave Act of 1993.

The following situations do not count as severance from service:

- a teacher or school employee who enters a new contract with a parish school or school that is a participating Employer for a subsequent academic year and provides notice to the Plan Administrator, in a form and manner acceptable to the Plan Administrator, no later than August 31 of that year, or

- a military leave of absence, as long as you return to work before your 'severance from service date' (see above), or in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994, if later.

If Your Employment Status Changes From Full-time To Part-time

If your employment status changes from a full-time position to a part-time position in which you work less than 30 hours per week, you will continue to earn vesting credit for your service as a part-time employee with respect to the contributions made to the Lay Plan while your employment status was full-time. However, you will not receive contributions to your account from your Employer during the time your employment status is part-time (see the definition of Eligible Compensation, above, for situations in which part-time earnings may be included in Eligible Compensation).

If You Leave Before You Are Fully Vested

If you stop working for your Employer, any portion of your Lay Plan account in which you are not vested is subject to forfeiture. You will forfeit the unvested amount after you have separated from service and received distribution of your vested account balance. If you have no vested amount when you terminate employment, you will forfeit all your unvested account balance after your severance from service date.

If You Are Rehired

If you are rehired as a full-time employee or part-time employee within 7 years from your last severance from service date and you remain employed for at least 6 months, your prior forfeiture (not including earnings or losses) will be restored. If you are rehired, contact the Office of Human Resources, Archdiocese of Denver Management Corporation, for more information on your eligibility to participate in the Plan.

Forfeiture For Dishonesty

If you are determined by the Plan Administrator to be guilty of committing theft, fraud, embezzlement or dishonesty concerning your Employer, your account balance (both the vested and non-vested amounts) will be forfeited.

Investing Your Lay Plan Account

You choose how to invest your Lay Plan account through a variety of fund options.

Lay Plan Fund Options And Investment Choices

You decide how, and where, to invest the money in your Lay Plan account (consisting of your Employer's contributions, old employer pension contributions (if applicable) and any rollover contributions you may make) using a variety of fund options. You will access your account on-line to view, choose and change your investment options.

Go to www.principal.com to create your account and otherwise log in to your Lay Plan account.

NOTE: If you are a new hire, you may not have access to your Lay Plan account until you receive the 'Welcome' materials from Principal. Principal will mail the Welcome letter to the address you have on file with your Employer during the quarter that *follows* your hire date. If you do not receive the Welcome materials, please call Principal at 800-547-7754.

Your investments must be made in 1% increments and must total 100% among the funds you choose. If you do not complete the Enrollment Form upon employment, your contributions will automatically be invested in the fund that has been designated as the default fund by the Plan Administrator.

You control your own investment direction, not your Employer, not the Archdiocese of Denver, not the Plan Administrator, not anyone else. Your Employer, the Archdiocese of Denver, the Plan Administrator, and any individuals associated with the Lay Plan are not liable for any losses which result from your investment choices.

To help you make the best possible investment choices based on your individual needs, refer to the investment education materials found at Principal's Lay Plan website.

Your Employer and the Archdiocese of Denver believe that the Lay Plan is an important part of your retirement planning and overall financial planning strategy. However, each employee's situation is different in terms of needs, desired returns and acceptable risk. Therefore, the Lay Plan delegates to you the important responsibility of controlling the investment of your Lay Plan account among the available investment options.

Each fund's investment objectives and past performance are not a guarantee of future results. Any investment earnings or losses are posted to your account at the end of each business day in which the U.S. financial markets are open.

What Is Your Investment Objective?

What is your investment objective? This question is one you will need to answer when deciding in which funds to invest. Factors such as your age, your personal and financial situation, and your willingness to accept risk, come together to form your investment objective. Further, as your age, income and other circumstances change over time, so will your investment objective.

The Lay Plan offers you a wide variety of funds so you can create an investment mix that meets your needs and investment objective. We also encourage you to learn more about the funds by reading the information available to you, such as the fund prospectuses. A fund "**prospectus**" is a legal document that provides history and other information about the specific fund. You should carefully read a fund's prospectus before you invest. Prospectuses are available at Principal's Lay Plan website: www.principal.com.

Quarterly Account Statements

To keep you informed regarding your account, Principal provides for you a Statement of Your Account shortly after the end of each quarter.

The statement will show the following:

- your Employer's contributions;
- rollover contributions;
- current asset allocation;
- investment gains or losses;
- current value of each investment;
- investment performance;
- investment/Trustee fees;
- total vested account balance;
- loan balance and payments processed; and
- distributions, if any.

Loans

You may borrow from your Lay Plan account for any reason (up to 50% of your vested account balance; $1,000 minimum). You then pay back the loan with interest to your Lay Plan account. You may take up to five (5) years to do it.

Although your Lay Plan account is designed for retirement, the loan feature is helpful when you need your funds to meet short-term financial needs. The repayment amount plus interest goes right back into your Lay Plan account. But it is important to evaluate whether a loan from your Lay Plan account will hinder your long-term financial goals for retirement.

Key Loan Features

- The minimum loan amount is $1,000.
- The maximum you may borrow is 50% of your vested balance, up to $50,000.
- You may have only one outstanding loan at any given time.
- The interest rate on your loan is the prime rate as set by the Wall Street Journal on the date the loan is requested, plus 1%. Interest you pay on the loan is credited back to your Lay Plan account.

Requesting a Loan

To request a loan, call the Principal Retirement Service Center at 800-547-7754 or visit www.principal.com. When you request your loan, you can specify the term of the loan. The interest rate and pay cycle are automatically elected for you. Once your request is processed, you will receive your loan check in the mail. When you cash the loan check, you are agreeing to the terms of the loan.

Please inform your Employer's Business Manager that you are taking a loan. Human Resources will provide repayment data to your payroll office.

Repaying Your Loan

Loan payments are made through payroll deduction with after-tax dollars. You can take up to five years to repay your loan. You can choose to pay back your loan early, but you must repay the entire outstanding balance plus any accrued interest. For assistance, call the Principal Retirement Service Center.

In some cases, payroll deduction may not be available, such as for a teacher paid over a ten-month period or someone on a leave of absence.

- If you are a teacher not paid during the summer months, you must pay your location directly during those months and by the first of each month.

- If you are on a leave of absence, you must pay your Employer's location directly by the first of each month. You also may choose to suspend your payments for up to one year. In this case, the term of the loan will not be extended but your payment amount will be increased to make up for the period of suspension.

If you do not repay your loan on time, it may result in a deemed distribution that is subject to taxes.

If You Leave Employment With an Outstanding Loan

If you leave employment, you have 60 days to make arrangements to repay the amount of the unpaid loan and interest.

If you fail to repay the loan, it is considered a distribution and is subject to taxes, meaning, income taxes will be due.

If this distribution occurs before you reach age 59-1/2, then the IRS considers it an "**early withdrawal**" and an additional 10% penalty tax will be due.

Accessing Your Lay Plan Account

Change your investment elections, check your balance, or initiate a loan by calling the Principal Retirement Service Center or logging on to www.principal.com.

The ability to control your own investments and access your account at any time is important. That is why the Principal Retirement Service Center and online access to your account is easy and convenient. Whether you use the telephone or go online, you'll have the ability to access your balance, make requests or make changes to the investments in your Lay Plan account whenever you desire.

Your Lay Plan Account Information

Call a member of the Principal Retirement Service Center (800-547-7754) or log on at www.principal.com to do any of the following:

- check your account balance;
- change investment elections for future contributions or current balance;
- request a fund transfer (realign balances) by percentage of account or by dollar amount;
- request a loan or check a loan balance;
- request a distribution packet;
- review rates of return and benchmark returns for the investment funds;
- review the performance history for the investment funds;
- request a fund transfer by dollar amount or percentage; or
- model a loan.

Setting Up Log In Access With Principal

To set up online access to your Lay Plan account, call the Principal Retirement Service Center at 800-547-7754 or access the Principal web site, www.principal.com.

NOTE: If you are a new hire, you may not have access to your Lay Plan account until you receive the 'Welcome' materials from Principal. Principal will mail the Welcome letter to the address you have on file with your Employer during the quarter that *follows* your hire date. If you do not receive the Welcome materials, please call Principal at 800-547-7754.

Receiving Your Lay Plan Account

You may generally elect to receive your distribution either in a lump sum or in installment payments over a period of time that does not exceed your life expectancy.

You may receive the value of your vested account balance if you have a severance from service from your Employer or become totally disabled. In the event that you become totally disabled, you will not be eligible for a distribution until the first day of the 15th month after you began your total disability leave. If you die while employed with your Employer, payment is made to your beneficiary.

Payment Methods

If your vested account balance is $1,000 or less, your distribution will be made in a lump-sum payment as soon as is administratively feasible following your termination of employment. You can choose how the lump sum will be distributed.

You may elect to receive the lump sum in cash (less 20% mandatory withholding for federal income tax) or to roll over the lump sum to another retirement plan such as an individual retirement account (**IRA**). If you do not elect to roll it over, then your lump sum will be distributed to you in cash, less 20% mandatory withholding.

You will be contacted regarding the distribution process after you have separated from service and received your final Eligible Compensation and related Employer contribution to the Lay Plan.

If your vested account balance is more than $1,000 but not more than $5,000, your distribution will be made in a lump-sum payment as soon as administratively feasible following your termination of employment. You can choose how the lump sum will be distributed.

You may elect to receive the lump sum in cash (less 20% mandatory withholding for federal income tax) or to roll over the lump sum to another retirement plan such as an individual retirement account (**IRA**). If you do not elect either to receive the lump sum in cash or to roll it over to an eligible plan of your choosing, then your lump sum will be rolled over to an IRA selected by the Plan Administrator.

The IRA provider will be Principal Bank. Principal Bank will invest the rollover funds in a type of investment designed to preserve principal and provide a reasonable rate of return and liquidity.

All fees or expenses related to the establishment and maintenance of the IRA and the IRA investments will be allocated solely to you as the IRA holder.

You may contact the Plan Administrator for further information regarding the Lay Plan's automatic rollover provisions, the IRA provider, the default investment fund, and the fees and expenses of the IRA.

You will be contacted regarding the distribution process after you have separated from service and received your final Eligible Compensation and related Employer contribution to the Lay Plan.

If your vested account balance is more than $5,000, you may elect to defer payment of your account until a later time (but not past your required beginning date) or you may elect to receive your distribution either in:

- a lump-sum payment (available at any time after you have separated from service and received your final Eligible Compensation and related Employer contribution to the Lay Plan), or
- installment payments (available beginning in any plan year after the plan year in which you have both separated from service and reached age 59-1/2).

You will be contacted regarding the distribution process after you have separated from service and received your final Eligible Compensation and related Employer contribution to the Lay Plan.

The two forms of payment are described next.

Lump-Sum Payment

Under a lump-sum payment, you receive your entire vested account balance in one payment. No additional payments are made to a beneficiary when you die.

You may elect to roll over this lump sum to a traditional or Roth IRA or to another employer's qualified plan, 403(b) plan or governmental 457 plan, or you may elect to have this lump-sum distribution paid directly to you, less the 20% mandatory withholding.

Installment Payments

Under this form of payment, you may receive your vested account balance in installment payments payable quarterly, semi-annually or annually over a period not greater than your life expectancy. You may begin to receive installment payments in any plan year following the plan year in which you reach age 59-1/2. If you die before receiving your entire vested account balance, your beneficiary receives the remainder of your vested account balance in a lump sum.

When Payments Are Made

After each quarter, the Human Resources Department sends information about terminated vested participants to Principal to initiate the distribution process once it has been determined that all contributions owed to you have been posted to your account. You will receive distribution information directly from Principal. You are responsible for contacting Principal and completing any necessary forms. Payments are made as soon as practicable after all the required distribution request forms are processed. The payment you receive is based on the value of your account on the date your funds are sold.

If payment is made because you are on a leave of absence (including an unpaid leave of absence under the Family and Medical Leave Act of 1993), or become totally disabled, payment may be made on the first day of the 15th consecutive month from the date you become totally disabled or are on a leave of absence.

For example, if you became totally disabled on January 31, 2022, your severance from service date occurs on the first day of the 15th month after your disability, which is April 1, 2023. Therefore, your distribution may be made at any time after April 1, 2023, upon receipt of your distribution election forms.

Electing A Form of Payment

When you are eligible for a distribution from the Lay Plan, Principal will send you the following information to help you elect a form of payment:

- written explanation of each form of payment;
- withholding rules and additional payment information; and
- distribution forms to make your distribution elections.

You must complete and send your distribution election to Principal to initiate your distribution.

Deferred Retirement

You are not required to retire at age 65. If you continue working past age 65, contributions will still be made on your behalf if you are an Eligible Employee. But you must begin receiving payments by your required beginning date. Your **required beginning date** is April 1 of the calendar year following the later of:

- the calendar year in which you reach age 72 (age 70½ if you attained that age on or before December 31, 2019) or
- the calendar year in which you terminate employment.

Deferred Distributions

If you are eligible to receive a distribution when you have a severance from service from your Employer, and your vested account balance is more than $5,000, you may defer receipt of your payment to a future date. However, you must begin receiving your payments by your 'required beginning date' (defined above).

Order Of Payments If No Beneficiary Designation At Your Death

If you die before your entire Lay Plan account is distributed and you have not designated a beneficiary (or a contingent beneficiary in case your primary beneficiary predeceases you) to receive your vested account balance, payments will be paid out in the order below. If all your designated beneficiaries and contingent beneficiaries die before you or before all Lay Plan benefits are paid, payments will also follow this order:

1. your surviving spouse;
2. your surviving children (including adopted children) in equal shares;
3. your surviving parents, in equal shares; or
4. the estate of the person last to die – either you or your beneficiary.

Withdrawals While You Are Employed

You will be eligible to withdraw all or part of your account balance (including employer new pension contributions, employer old pension contributions and rollover contributions, and any investment earnings on these contributions) if you:

- are at least age 65 (normal retirement age), and
- are a part-time employee of an Employer.

Withdrawals will be made in a lump sum as soon as your distribution request forms are processed.

Once your request is approved, the withdrawal will be deducted from your investment funds on a pro rata basis.

You are responsible for any income taxes that apply (See the section entitled "**Taxes at Distribution**", below). You will receive additional information about your federal tax liability when you request an in-service withdrawal.

Taxes At Distribution

Because your entire account balance accumulates on a tax-deferred basis, you (or your beneficiary(ies) if you die) will owe taxes on this money for the year in which the distribution is made. This means you must pay taxes on:

- Your Employer's contributions (Employer new pension contributions);
- employer old pension contributions;
- rollover contributions; and
- any earnings on these amounts.

For all lump-sum benefit payments and other eligible rollover distributions, current federal regulations require 20% income tax withholding from these distributions, unless that money is directly rolled over into a Roth IRA or traditional IRA or into another employer's qualified plan, 403(a) annuity plan, 403(b) tax-sheltered annuity or governmental 457(b) plan. (See the section entitled "Direct Rollovers", below.)

Penalty Tax

If you receive a distribution from the Lay Plan before you reach the age of 59-1/2, you generally will be required to pay an additional 10% early withdrawal penalty tax, unless the payment is rolled over or the payment is made because:

- you terminate employment during the calendar year in which you turn age 55, or later;
- you die or become totally disabled;
- the distribution is for tax-deductible medical expenses; or
- the distribution is made to another person under a Qualified Domestic Relations Order (QDRO). See the section entitled "**Assignment of Your Benefit**", below, for more information.

Direct Rollovers

If you receive an eligible rollover distribution when you leave employment with your Employer, you may elect to directly roll over your vested account balance into a traditional or Roth IRA or into another employer's qualified plan, 403(a) annuity plan, 403(b) tax-sheltered annuity or governmental 457(b) plan. Otherwise, depending on your age, income tax will be withheld at the rate of 20% and the additional 10% early withdrawal penalty tax may apply.

Eligible rollover distributions generally include the following "taxable" payments:

- a one-time payout of your Lay Plan benefits (a lump sum); and
- an installment payment if payments are scheduled to be made over a period of less than 10 years.

Eligible rollover distributions do not include installment payments scheduled to be made over a period or 10 or more years and required minimum distributions made after your required beginning date (as defined above).

When you directly roll over your distribution to your traditional IRA or another employer's plan that accepts rollovers, you do not pay income taxes on the amount rolled over in the current year and mandatory 20% income tax withholding does not apply. However, your payment will be taxed later when you receive it from the IRA or the future employer plan to which it was rolled over.

When you directly roll over your distribution to a Roth IRA, the mandatory 20% income tax withholding does not apply. The amount rolled over to a Roth IRA is subject to income tax in the year of the rollover and the income tax generally must be paid from personal funds, though amounts later distributed from the Roth IRA may be tax-free.

Before you receive a distribution from the Lay Plan, you will receive a copy of the IRS tax notice that describes in detail the rules governing rollovers.

Important Plan Information

Other information to know about the Lay Plan includes administrative details.

Plan Name, Sponsor, Administrator, Year, Type, Trustee, Service of Process

Although you won't need this information on a day-to-day basis, it's nice to have it available.

- The **official name** of the Lay Plan is the *Archdiocese of Denver Lay Employees' Money Purchase Pension Plan*.
- The **Plan Sponsor** is the Archdiocese of Denver, with address of 1300 S. Steele Street, Denver, CO 80210.
- The **Plan Administrator** is the Archdiocese of Denver, with address of 1300 S. Steele Street, Denver, CO 80210. The Plan Administrator has broad discretionary authority to interpret, construe, and administer the Lay Plan and has such powers as may be necessary to discharge its duties under the Lay Plan. This authority is detailed in the Lay Plan's legal document.
- The **Plan Year** for the Lay Plan is July 1 through June 30. The Lay Plan is valued each business day on which the U.S. financial markets are open.
- The Lay Plan is considered a **money purchase pension plan.** This is a type of defined contribution plan in which an employer makes fixed contributions to specific individuals' accounts. The benefits for each participant are the amounts provided by the contributions and any investment earnings or losses, subject to a vesting schedule. The Lay Plan is considered a retirement plan when determining eligibility to make deductible IRA contributions.
- The current **recordkeeper** for the Lay Plan is Principal Life Insurance Company (**Principal**). The current trustee for the Lay Plan is Delaware Charter Guarantee & Trust Company, conducting business as Principal Trust Company. The trustee's job is to invest the money in the trust according to participants' directions, including earnings, exclusively for the benefit of the plan participants and their beneficiaries.
- Any **service of legal process** regarding the Lay Plan should be delivered to: the Office of Human Resources, Archdiocese of Denver Management Corporation, Archdiocese of Denver Lay Employees' Money Purchase Pension Plan, 1300 S. Steele Street, Denver, CO 80210.

Administration Of The Lay Plan

The Plan Administrator administers the Lay Plan. An Advisory Committee supports the Plan Administrator in the general administration of the Lay Plan. You should address all communication about the Lay Plan to the Plan Administrator at the address shown above.

Lay Plan Amendment And Termination

The Archdiocese of Denver reserves the right to amend, change or end the benefits provided under the Lay Plan at any time. In the event that the Lay Plan is terminated, you will become 100% vested in your account balance. You will receive a lump-sum distribution of your account balance as soon as administratively possible.

Situations In Which Benefits Could Be Lost or Delayed

There are certain situations which may result in a loss or delay of benefits from the Lay Plan:

- You will forfeit all or a portion of your account if you terminate employment with less than five (5) years of service.
- If you become disabled and do not receive a salary from your Employer, you will not receive contributions from your Employer during the period you are disabled.
- You will lose the right to all or part of your benefit from the Lay Plan derived from your Employer's contributions if you are determined by the Plan Administrator to be guilty of committing theft, fraud, embezzlement or dishonesty concerning your employer.
- Benefits can be delayed or forfeited if you or your beneficiary cannot be found. Therefore, it is very important to keep your records up-to-date, including your address, with the Archdiocese of Denver.
- There is no guarantee that your Lay Plan investments will increase in value. It is possible that such investments will decrease in value and may be worth less than the amount originally invested.

Appealing Your Claim For Benefits

When you become eligible to receive a distribution, you will receive information regarding the distribution of your vested account balance. If you die, your beneficiary(ies) will receive the information. We do not expect your claim for benefits to be denied, but it is possible for an error to occur in your records or in processing your application. For this reason, we designed an appeals procedure if your application for benefits is denied.

If your application for benefits under the Lay Plan is denied, or your request for a withdrawal or distribution under the Lay Plan is denied, in whole or in part, you normally will be:

- Provided with the specific reason for the denial.
- Given the Lay Plan provisions on which the Plan Administrator based its denial.
- Provided a description of additional material and information to perfect your claim and explanation of why it is needed.

If this occurs, you should follow the appeals procedure outlined below.

- Within 75 days of receiving a denial notice, you may submit a written application to the Lay Plan's Advisory Committee requesting that your application be reconsidered. You are entitled to review the Lay Plan document when you prepare your appeal and to have a qualified person represent you during the appeal process. If you believe an error has occurred, you can expedite your request by giving the reason you think there is an error. Also, whenever possible, send copies of any documents or records that support your appeal. Whether or not you can provide such additional information, your application will be reconsidered after your request is received.

- The Plan Administrator will reach a decision on your appeal no later than the date of the next regularly scheduled quarterly Advisory Committee meeting after your appeal is received, unless your request is received within 30 days before a meeting, in which case, the decision will be made by the date of the second regularly scheduled quarterly meeting following your request. If special circumstances require additional time to process your application, a decision will be made no later than the third regularly scheduled quarterly meeting following the Lay Plan's receipt of your initial request for review. This decision will be in writing and will explain the specific reason for the decision with reference to the Lay Plan provisions on which it is based.

If you need additional information or have any questions about the Lay Plan, please contact the Human Resources Department of the Archdiocese of Denver.

Prior to filing a lawsuit, a Participant, beneficiary or alternate payee must exhaust all administrative remedies under the Plan.

Lay Plan Documents

The information in this SPD describes the Lay Plan in everyday language and tries to avoid the technical language used in the Lay Plan's legal documents. This SPD does not contain all the details described in the official Lay Plan documents. If there is a discrepancy between what is summarized here and the official Lay Plan documents, the Lay Plan documents will govern.

If you wish, you may examine a copy of the Lay Plan's legal documents at the Office of Human Resources, Archdiocese of Denver Management Corporation.

Assignment of Your Benefit

Generally, your Lay Plan account is not subject to claims of your creditors or creditors of your spouse or other beneficiaries. In addition, you may not assign, sell or commit any part of your account balance or estimated future contributions to your account in any way.

If you become divorced or separated, or if you are responsible for child support, a court order could require the Lay Plan to pay part of your benefits to another person; e.g., your spouse or children. This type of court order is referred to as a qualified domestic relations order (**QDRO**). A QDRO is a court order, judgment or decree that:

- is made pursuant to a state domestic relations law (including community property laws);

- relates to the provision of child support, alimony payments or marital property rights; and

- creates or recognizes another person's rights to receive all or a portion of a participant's benefits under an employee benefit plan.

Although the Lay Plan is not required by law to recognize QDROs, it chooses to do so. Therefore, if you are a party in a court proceeding that may affect your benefits under the Lay Plan, you should have your attorney contact the Plan Administrator to make certain that the court order meets the appropriate legal requirements. The court order must be accepted by the Plan Administrator before it will be implemented with respect to the Lay Plan.

Lay Plan participants and beneficiaries can obtain, without charge, a copy of the procedures governing QDRO determinations from the Plan Administrator.

Effect On Employment

Participation in the Lay Plan does not give you the right to continue your employment with your Employer or the right to benefits, except as outlined in the Lay Plan documents.

END