



2019 P&B-Provided Benefits Guide

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Retirement and Insurance Benefits for Those Who Serve

Pensions and Benefits USA (P&B) is pleased to offer retirement account supplements and certain levels of life and disability insurance at no cost to active, eligible ministers whose churches support the P&B Fund. This includes P&B-provided contributions to the 403(b) Retirement Savings Plan accounts of eligible ministers.

This booklet provides details regarding these valuable complimentary benefits and explains the eligibility requirements for receiving them. We encourage pastors, church treasurers, and/or board members to familiarize themselves with this information to assure no eligible minister fails to receive these benefits.

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RETIREMENT

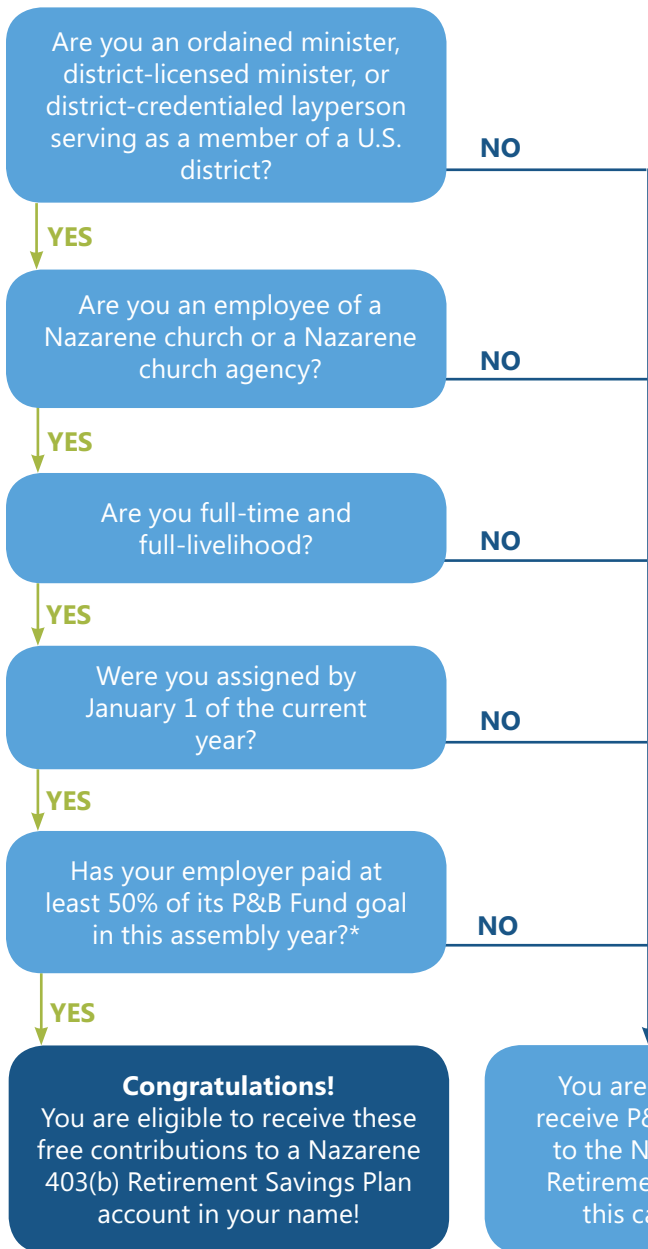
THE NAZARENE 403(B) RETIREMENT SAVINGS PLAN

Investing for the future can mean the difference between a comfortable retirement and having to work longer than you'd like in your later years. To help your savings grow, Pensions and Benefits USA contributes to the retirement accounts of eligible ministers.

From our earliest days, the Church of the Nazarene has provided assistance for ministers in retirement. In 1971, we established a plan to offer a monthly retirement benefit for every eligible minister. Commonly called the "Basic Pension," or Single Defined Benefit Plan (SDBP), it provides a stipend based on years of service. Learn more about the SDBP under the retirement tab at pbusa.org.

However, on January 1, 1996, we initiated a defined contribution (DC) program called the Nazarene 403(b) Retirement Savings Plan. It allows eligible ministers to save for retirement with tax advantages. With this plan, voluntary contributions are deducted from a church employee's salary, thus avoiding income tax when deposited. At retirement, withdrawals made by ministers are designated as "housing allowance," and are tax-free, subject to IRS limits. To help your savings grow, P&B adds Annual Pension Supplements (APS), based on your congregation's giving to the P&B Fund. See the following pages for eligibility and page 8 for amounts available.

AM I ELIGIBLE FOR THE 403(B) PLAN?



If you are actively at work on any January 1 and you meet all eligibility requirements, your APS base and bonus contributions will be deposited sometime that calendar year. It is anticipated that the match contributions will be processed in the first quarter of the calendar year following the calendar year in which your Nazarene 403(b) deposits were made.

*If you serve a Nazarene employer that is not assigned a P&B Fund goal and you are a full-time evangelist, full-time district assigned minister, or a district superintendent, you will receive a \$1,000 base APS contribution. You will be automatically enrolled if you meet this criteria.



YOUR CHURCH'S ROLE

1. Complete the Participation Agreement (visit www.pbusa.org)
2. Make sure your church is a participating employer under the plan rules
3. Contribute to the P&B Fund

APS FAQs

Who is eligible to receive APS contributions?

District superintendents and senior pastors who are district-licensed or ordained are eligible due to their assigned role. Other ordained elders, deacons, district-licensed ministers and district-credentialed lay persons who meet the full-time, full-livelihood criteria also receive an APS contribution. Ministry assignments that may be considered are DS, PAS, DA, DIA, PSV, EVT, EVR, EVC, SER, SEC, MUS, and CED.

What other assignments may be eligible for contributions?

A full-time supply minister who is district-licensed or ordained would receive an APS contribution when earning full-livelihood from such ministry.

Do additional guidelines apply to evangelists?

For evangelists, full-time and full-livelihood service is defined as holding services no fewer than 30 Sundays or 26 revival events (as defined by the General Board), per

calendar year, in Nazarene churches on U.S. districts that contribute U.S. P&B Fund allocations.

Who is not eligible for an APS contribution?

In the event that the church of a pastor or staff member fails to contribute to the U.S. P&B Fund, no contribution will be credited to the pastor or staff member under this plan. This criterion does not apply to evangelists and those serving in district assignments.

Any year in which a participant is already receiving benefits under the Basic Pension portion of the Nazarene Single Defined Benefit Plan is not creditable to receive a contribution under this plan.

I am not a citizen of the United States; am I eligible for benefits if all other criteria are met?

In order to be eligible, you must have a Permanent Resident Card (Green Card) or an R-1 work visa as required by U.S. Citizenship and Immigration Services. Visit <https://www.uscis.gov> for more information and to apply for the appropriate documents.

When are base contributions and bonus APS contributions be made?

Since they are based upon the P&B Fund amount paid by churches, APS deposits to accounts are not made until after the close of the fiscal year for which they are payable. This is typically at least 90 days *after the end of a district's fiscal year*. APS contributions are subject to district office verification of eligibility.

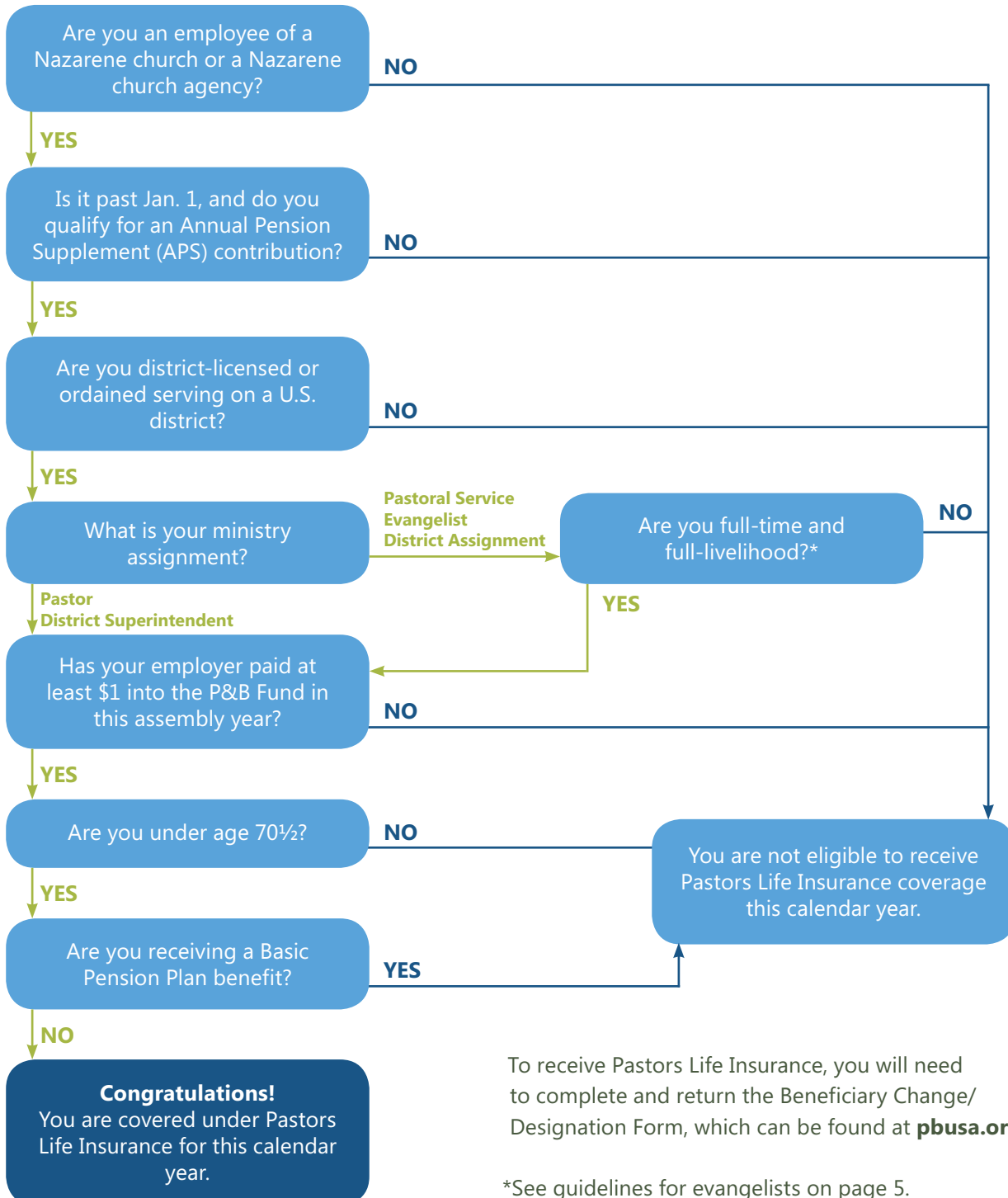
More APS FAQs are available at PBUSA.ORG.



THE PASTORS LIFE INSURANCE PLAN

This plan automatically provides a base level of \$15,000 (\$1,000 for spouse) in life insurance coverage for ministers who are actively serving local churches and are eligible to receive an Annual Pension Supplement (APS) contribution based on P&B Fund participation. You pay no premium for this coverage, but you do need to complete a beneficiary form.

AM I ELIGIBLE?



To receive Pastors Life Insurance, you will need to complete and return the Beneficiary Change/ Designation Form, which can be found at pbusa.org.

*See guidelines for evangelists on page 5.

BASIC LONG-TERM DISABILITY INSURANCE

NO application necessary

NO waiting period for coverage

This plan provides a maximum monthly benefit of \$400 if an eligible minister, because of an illness or an injury lasting three months or longer, is unable to work and earn an income. It is for participants of the Nazarene 403(b) Retirement Savings Plan who have no "grandfathered" disability benefits under the Basic Pension Plan. Eligibility requirements are the same as those for Pastors Life Insurance (see page 6).

IMPORTANT FEATURES AND LIMITATIONS TO THE PLAN

Preexisting Conditions:
 If you were diagnosed or treated or received medical services within the six months immediately preceding your effective date of Long-Term Disability coverage (the "look-back period"), then you are not eligible to receive benefits if:

- Disability occurs within 12 months following the effective date of coverage and
- That disability is caused by the same condition for which you were diagnosed or treated or received medical services in the look-back period.

As long as you remain disabled, LTD benefit payments will continue as follows until:

- The calendar month when you reach normal retirement age, as determined by the 1983 Amended Social Security Normal Retirement Age; or
- (If your disability starts on or after the date you reach age 60), the expiration of the number of months of disability as figured from the following schedule:

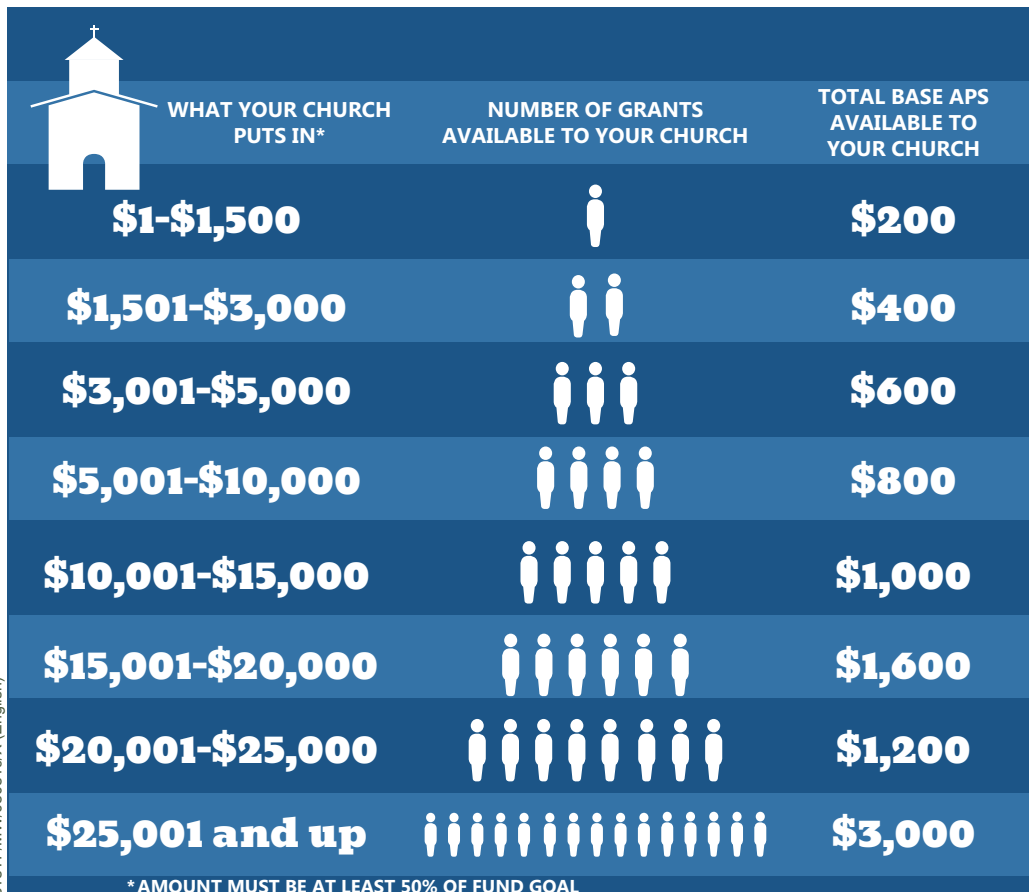
AGE WHEN PERIOD OF DISABILITY STARTS	MONTHS OF DISABILITY
60	60
61	48
62	42
63	36
64	30
65	24
66	21
67	18
68	15
69+	12

THE IMPORTANCE OF GIVING TO THE P&B FUND

All of the retirement and insurance benefits provided to Nazarene ministers by Pensions and Benefits USA are made possible because of the faithful giving of U.S. districts and churches. Such giving enables us to serve almost 17,000 active and retired ministers, church-employed laypersons, spouses, and widows across the United States. The charts below, show how congregational affects benefits for church employees.

ANNUAL PENSION SUPPLEMENT AND P&B-PROVIDED INSURANCE

ANNUAL CHURCH P&B FUND CONTRIBUTION	LIFE INSURANCE	DISABILITY INSURANCE	BASE APS	BONUS APS	403(B) MATCH
\$0 of P&B Fund Goal	\$0	\$0	\$0	\$0	\$0
\$1 to 49% of P&B Fund Goal	\$15,000	\$400/mo	\$0	\$0	\$0
50-99% of P&B Fund Goal	\$15,000	\$400/mo	\$200	\$0	\$0
100% of P&B Fund Goal	\$15,000	\$400/mo	\$200	10% of P&B Fund Paid	\$0
100% of P&B Fund Goal and Education Fund Goal	\$15,000	\$400/mo	\$200	10% of P&B Fund Paid	50% Match of 403(b) contributions up to \$250



As you can see, giving or not giving to the P&B Fund can directly affect pastors financially. We encourage every Nazarene church in the U.S. to support their pastor and other ministers by contributing to the P&B Fund.

Got Questions?
 We'd love to hear from you. Contact us at pensions@nazarene.org or 888-888-4656.



PENSIONS AND BENEFITS USA
 CHURCH OF THE NAZARENE

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