SUMMARY PLAN DESCRIPTION

Whether you are a Foursquare Gospel minister or lay employee, your ministry is important to us. The Foursquare Retirement Plan, referred to in this document as the “Plan”, is designed to help you set funds aside for your retirement years. It also offers flexibility in the payment of retirement income. You have an opportunity to set aside a portion of your salary tax deferred and to do some financial planning for your future. Your employer may also make contributions on your behalf, which helps your money grow. This booklet is merely a summary of the Plan, and it is not possible to describe how the Plan works in every circumstances. In all respects, your rights under the Plan are governed by the Plan Document. If there should be any conflict or differences between this summary and the terms of the Plan Document, the Plan Document shall control.

The third party administrator of the Plan is the Lincoln Financial Group. References hereafter to “Lincoln” refer to the third party administrator.

1. WHAT IS THE FOURSQUARE RETIREMENT PLAN?

The Foursquare Retirement Plan is a defined contribution plan operating under the rules for a church retirement income account plan under Internal Revenue Code section 403(b)(9). The Internal Revenue Code permits churches, denominations and their related activities to set up such retirement plans for their employees designed to save them considerable tax dollars now and in the future. The Plan takes full advantage of these tax savings, while at the same time providing you with investment vehicles through which your money can grow. A Committee appointed by the Board of Directors of the International Church of the Foursquare Gospel (referred to in this summary as “the Committee”) is the administrator of the Plan.

2. WHAT CHURCH OR OTHER EMPLOYERS ARE ELIGIBLE TO PARTICIPATE IN THE PLAN?

Employers eligible to participate in the Plan include:

1. The International Church of the Foursquare Gospel

2. Any Foursquare Gospel Church as defined in Section 3.3 of the Bylaws of the International Church of the Foursquare Gospel. This does not include community churches.

3. Any non-church activity within the corporation structure of the International Church of the Foursquare Gospel that operates as a separate payroll center under its own Federal Employer Identification Number (EIN), and

4. Any organization which is exempt from income tax under Internal Revenue Code section 501 and is controlled by or associated with the International Church of Foursquare Gospel within the meaning of section 414(e) of the Internal Revenue Code.

The participation of employers described in 3 or 4 above are also subject to the approval of the Committee.
Who is an eligible employee?

In the case of a minister or lay employee, to be eligible to participate in the Plan you must be a common law employee of a participating employer who is recorded as an employee on the employment and payroll records of the employer, and you must not be either a nonresident alien with no earned income from the U.S. or a leased employee.

In the case of a minister who is not an employee, to be eligible to participate, a minister must be a duly licensed minister of the International Church of the Foursquare Gospel engaged in the exercise of his or her ministry, as determined by the Committee. Subject to certain requirements of the Internal Revenue Code, certain self-employed ministers and chaplains may also participate in the Plan.

How can I be sure whether I am eligible to participate in the Plan?

You can verify your eligibility to participate in the Plan by contacting:

Foursquare Retirement Services Office
1910 W. Sunset Blvd., Suite 200
Los Angeles, CA  90026
(888) 635-ICFG (4234) or retirement@foursquare.org

3. HOW ARE CONTRIBUTIONS MADE?

First, if you are an eligible employee employed by a participating employer, you must complete an enrollment form available from the Foursquare Retirement Services Office.

Can I make contributions from my salary?

You may make contributions on a pre-tax elective basis, by reducing a portion of your salary. You may elect to contribute from one percent (1%) or more of your salary, but not less than $200.00 annually nor more than the maximum amount allowed by law (see below). Plan contributions made by you on a pre-tax basis must be made under a written salary reduction agreement with your participating employer.

Under that agreement, beginning as soon as practicable after the completed agreement is filed with your employer, the salary paid to you for payroll periods will be reduced by your employer and the amount of the reduction will be applied to contributions by your employer to one or more of the funding vehicles you select that are available under the Plan.

You may terminate or modify your salary reduction agreement at any time, effective as of the future date you choose and no sooner than administratively practicable.

Can my employer make contributions for me?

A participating employer may make additional contributions to your account under the Plan. In the case of an employer which is a Foursquare Gospel church as defined in the Foursquare Bylaws, Foursquare will credit an amount based on the church’s Foursquare Extension Tithe, non-earmarked Foursquare Mission International offerings and offerings to Foursquare Missions Press as contributions for the employees of the church. A participating employer that is not a Foursquare Gospel church may, but is not required to, make employer contributions to the Plan. Such contributions may be a percentage of your compensation, a specific dollar amount, a match of all or part of your salary reduction contribution, or another method determined by the participating employer. The participating employer may also determine, in its sole discretion, which of its employees is eligible to receive a contribution and in what amount. If your participating employer elects to make a contribution to the Plan for your account, your participating employer will notify you of whether you will be eligible for a contribution, and if so, the amount.

You do not pay federal income taxes on your salary reduction or employer non elective contributions to the Plan, provided that the amount of these contributions does not exceed the limitations of the Internal Revenue Code, as
Contributions that are non-elective employer contributions are not subject to FICA, or in the case of ministers, SECA. However, salary reduction contributions made on behalf of non-minister employees are subject to FICA at the time of contribution. Distributions from the Plan are not subject to FICA or SECA.

I’m a missionary, are there special rules I need to be aware of?

Please check with the Foursquare Missions office or your tax advisor as to the ongoing status of rules regarding missionaries.

4. WHEN DO MY PLAN CONTRIBUTIONS BECOME VESTED (I.E., OWNED BY ME)?

You are fully and immediately vested in the benefits arising from contributions, both salary reduction and employer non-elective, under the Plan. Such amounts are non-forfeitable at all times. Thus, your account stays with you, and if you die, your designated beneficiary or spouse will receive your entire account, as described below.

5. ARE CONTRIBUTIONS BY PARTICIPATING EMPLOYERS AND EMPLOYEES LIMITED IN AMOUNT BY LAW?

Yes, the Internal Revenue Code imposes two separate limits on the amount of contributions to 403(b)(9) church plans. One limit applies to your pre-tax salary reduction contributions. The other limit, known as the “Section 415 limit” limits all contributions. Generally, contributions cannot exceed either of these two limits.

Limit on pre-tax salary reduction contributions

Employee pre-tax salary reduction contributions - sometimes called elective deferrals - limits an employee's pre-tax contributions to a stated dollar amount. This dollar limit is $19,000 for 2019. The limit is thereafter adjusted for cost-of-living from time to time. Please note that this limit applies on an aggregate basis to all of your salary reduction contributions to any and all 401(k) or 403(b) plans in which you participate.

Limit on combined employee and employer contributions

The total amount of contributions and forfeitures that can be allocated to a participant’s account is $56,000 or 100 percent of compensation, whichever is less. For this purpose, compensation is generally taxable compensation, plus amounts contributed by salary reduction to 401(k) and 403(b) plans and to cafeteria plans (also known as 125 plans or flexible benefit plans) to purchase health and welfare benefits. Compensation for this purpose does not include amounts that are excluded from your taxable income as clergy housing allowance.

Catch-up Contribution Limits

Church plan participants may also exceed the annual limits as follows:

**15 Years of Service** - Participants with at least 15 years of service and relatively low contribution histories may make additional contributions of up to $3,000 per year, subject to a $15,000 life-time maximum.

**Age 50 Catch-up Contributions** - Participants may make additional contributions in a plan year if they have attained age 50 during or before the year. The amount of additional contributions permitted under this rule is $6,000 in 2019. The amount will be then adjusted from time to time for cost-of-living after that.

**$10,000/$40,000 Special Contribution Limit** - In addition, church plan participants may also exceed the annual 100 percent of compensation limitation if the total annual contribution excess for the employee does not exceed $10,000, and the aggregate excess contributions for all years does not exceed $40,000. No special election has to be made to use this $10,000/$40,000 rule, but as with calculating the limits generally, it is the Plan participant’s responsibility for keeping a record of how much of the $40,000 lifetime limit has been used.
Help! How do I figure out all these limits?

Don’t be overwhelmed! These maximum limits are similar to those that apply to any tax-advantaged pension plan. You may simply not have heard of them because many employers usually perform these tests for participants as they have all the necessary information in their payroll records. However, because these limits depend upon information that only the local church or, you, the participant, may have, such as the amount of your compensation, years of service with the employer, and contributions to other plans, it may be necessary for you to calculate these limits with the assistance of your tax preparer or Lincoln, who has worksheets to help, and is prepared to answer your questions. In addition, IRS Publication 571, Tax Sheltered Annuity Programs available from your local IRS office, by calling (800) 829-3676, or on-line at www.irs.ustreas.gov/forms_pubs, contains more information and worksheets for calculating an individual’s contribution limits.

What should I do if I exceed these Limits?

If you make a salary reduction contribution that exceeds these dollar limits after applying any catch-ups, you should request a return of the excess by notifying the Foursquare Retirement Services Office by March 1 of the following year.

6. DOES THIS PLAN ACCEPT TRANSFERS OR ROLLOVERS FROM OTHER PLANS?

If you are a participant in the Foursquare Retirement Plan and have an account under another church 403(b) plan, it may be transferred or rolled over to the Foursquare Retirement Plan. If you are eligible for a distribution from a 401(a), 401(k), IRA or governmental 457(b) plan, you may also be able to roll over those distributions to the Foursquare Retirement Plan. For more information about transfers and rollovers, including certain limitations, please contact the Foursquare Retirement Services Office and your previous plan provider.

If you are a clergy participant, note that amounts rolled over from another plan into the Foursquare Retirement Plan and earnings on these rollovers will not be eligible for subsequent exclusion from income as housing allowance when distributed from the Foursquare Retirement Plan, unless the prior plan was also a church plan and the amounts also would have been eligible for the housing allowance upon distribution from the prior plan.

7. HOW IS MY ACCOUNT UNDER THE PLAN INVESTED?

You are the one who decides how to invest your account under the Plan from a selection of mutual funds and annuities offered by the Plan. A full list of currently available mutual funds and annuities is included in separate information provided by Lincoln. This decision is important because investment returns are key in determining the amount of your retirement. The number of years to retirement, and your level of comfort with the risks associated with each type of fund or annuity are important factors in making your investment decision.

Participants do not have the right to invest Plan funds in investments not offered under the Plan. Foursquare has the authority to select and change the available investments from time to time as it deems prudent or advisable, and to direct the investment of Plan assets, including assets previously contributed, in such a manner to accommodate the change in investment options. The Committee also has the authority to direct the investment of the Plan’s assets without regard to the participant’s instructions, if it is consistent with its duties.

How do I make my initial investment decisions?

You can make your initial investment decisions by completing the enrollment form and returning to the Foursquare Retirement Services Office or by contacting Lincoln by phone (800-234-3500) or the Internet (www.LincolnFinancial.com).
How do I change my investments after I’m enrolled?

You can change your investment decisions for future contributions, existing balances, or both. You may change as often as you wish.

What happens if I make no investment decision?

If you do not make investment decisions when enrolling in the Plan, your contributions will automatically be invested in investments selected by the Committee. You are strongly encouraged to carefully consider your choices and make your own investment choices. The Committee has developed a Moderately Conservative asset allocation model comprised of annuities, bonds and equities as the default. This default selection may be changed from time to time.

8. WHAT BENEFITS ARE AVAILABLE UNDER THE PLAN?

When can I begin to receive benefits under the Plan?

You will be eligible to receive benefits under the Plan on or after your 65th birthday, or, if earlier, upon your termination of employment with the church for any reason. However, a transfer of employment between employers that are eligible to be participating employers (even if they do not opt to participate) is not considered a termination of employment. Generally, a termination of employment will occur only when you cease to be employed by an employer that is part of the Foursquare denomination.

In the case of a minister, a minister will be considered to have terminated employment when the minister ceases to be engaged in the exercise of his or her ministry, with or without compensation, as determined by the Committee.

In what form will my benefits be paid?

You may choose from several payment options when you retire. These options are set forth in the funds and contracts offered by Lincoln. Generally, payment can be made in a lump sum, in installments, or through the purchase of a single life or joint and survivor annuity. Payments in annuity form may be guaranteed for a selected number of years, if desired. Installment and annuity payments must not extend over a period longer than your life or life expectancy or the lives or joint life expectancies of you and your beneficiary, determined in accordance with Internal Revenue Code rules.

Please note that, if you are married, you may not designate a beneficiary other than your spouse unless your spouse consents to such other beneficiary designation on the “Spousal Waiver” form.

More information regarding the permissible methods of payment and spousal consent requirements is included with the beneficiary designation form and distribution election forms provided upon request by Lincoln.

When must I begin receiving Plan benefits?

You can defer payment of benefits and keep your account invested under the Plan to a date no later than the year you attain age 70½ or retire, whichever is later. If the value of your account is $5000 or less, however, the Committee reserves the right to distribute your account to you in a lump sum following termination of employment.

Can I receive a cash withdrawal from the Plan while still employed?

This Plan is designed for your retirement. To encourage saving for your retirement, cash withdrawals from the Plan are generally not permitted except from your Employee Contribution Account and your Rollover Account, if any, (1) after attaining age 59 and ½, or (2) in the case of certain events of hardship, as described below:

- expenses for unreimbursed medical care incurred by the participant, the participant’s spouse, or a dependent.
- purchase (excluding mortgage payments) of a principal residence for the participant.
- payment of tuition or related educational fees for the next 12 months for post-secondary education for the
participant, the participant’s spouse, children or dependents.

- the need to prevent the eviction of the participant from his or her principal residence or foreclosure on the mortgage of the participant’s principal residence.

The amount of the distribution may not exceed the amount necessary to satisfy the financial need, plus taxes. The minimum hardship distribution is $250. If you receive a hardship distribution, you may not make any salary deduction contributions to the Plan or any other deferred compensation plans for 6 months from date of receipt, and the amount of your contributions in the taxable year after the distribution may also be limited.

Hardship distributions are taxable to you, and may also be subject to an additional 10% excise tax on early distribution of benefits if you are under age 59 and ½. Hardship distributions cannot be rolled over to another plan or IRA. You must also exhaust your right to obtain nontaxable loans from the Plan before you may obtain a hardship distribution.

Special loan/withdrawal rule for one time purchase of a principal residence

You may take a loan or a hardship distribution also from your Employer Contribution Account for the one-time purchase of your principal residence. Such a loan or hardship distribution from the Employer Contribution Account is limited to once a lifetime, and cannot exceed 50% of the value of your Employee Contribution Account, Employer Contribution Account and Rollover Account. A loan to acquire a principal residence is subject to the loan rules in the next section.

Does the Plan provide for loans other than a one-time purchase of my principal residence?

Yes. You may borrow from salary reduction contributions and rollover contributions in your account (but not employer non-elective contributions in your Employer Contribution Account, except in limited circumstances as explained below). Such a loan is not considered taxable income to you. The maximum amount of all outstanding plan loans may not exceed the lesser of $50,000 (reduced by the highest outstanding balance on any plan loan during the preceding year) or 50% of your account. The loan term may not exceed 5 years, unless the principal purpose of the loan is to acquire a dwelling unit that is to be used as your principal place of residence within a reasonable time, in which case the loan term may not exceed 10 years. Loan payments must be made at least monthly and will bear interest at a rate determined from time to time by the Committee. If you are married, you may not borrow from your account without the consent of your spouse. If you default upon a loan, the remaining principal amount of your loan may be considered taxable income to you. For information about loans, contact Lincoln.

May I roll over distributions from my account to another Plan or an IRA?

If you are entitled to receive a distribution from the Plan after a termination of employment or retirement, you may roll over all or a portion either directly or within 60 days after receipt into another section 403(b) plan, a 401(a) plan (including a 401(k) plan), a governmental 457(b) plan, or into a IRA. An “eligible rollover distribution”, in general, is any taxable cash distribution other than an annuity payment, a required minimum distribution payment after age 70½ pursuant to section 401(a)(9) of the Code, a payment which is part of a fixed number of installment payments over 10 or more years, or a hardship distribution. The distribution will be subject to a 20 percent federal withholding tax unless it is rolled over directly into another 403(b) plan, a 401(a) plan (including a 401(k) plan), a governmental 457(b) plan, or into an IRA. This process is called a “direct” rollover.

By law, if you have the distribution paid to you, then 20 percent of the distribution must be withheld even if you intend to roll over the money into another eligible retirement plan or into an IRA within 60 days. To avoid that withholding, you can request Lincoln to directly roll over your money to another 403(b) plan, 401(a) plan, governmental 457(b) plan or IRA. A lower amount of withholding is required with regard to payments in the form of a life or joint life annuity.

What if I die before I receive my Plan benefits?

If you die before beginning to receive your benefits, your account will be paid in a lump sum to your spouse, or your spouse may elect payment in installments. If you are not married, or if you have designated a beneficiary other than
your spouse and your spouse has consented to the designation, you may predetermine the form in which payment of benefits will be made to your designated beneficiary or you may leave the choice to your beneficiary.

If you die after beginning to receive your payments in installments, your spouse or other designated beneficiary shall receive such benefits, if any, as are being provided pursuant to the form of payment you are receiving at the time of your death.

Federal tax law imposes some limitations on when and how beneficiaries may receive their death benefits.

Your beneficiary will receive more information regarding the applicable requirements at the time he or she applies for benefits.

If you are unmarried and you do not designate a beneficiary, your account under the Plan will be paid to your estate.

### 9. IF I AM A MINISTER, ARE MY RETIREMENT BENEFITS ELIGIBLE FOR HOUSING ALLOWANCE?

In accordance with IRS Revenue Ruling 71-280, the Board of Foursquare has designated payments to ministers from the FOURSQUARE Retirement Plan to be eligible for treatment as housing allowance, to the extent that the payments are attributable to pre-tax contributions (and earnings thereon) made on behalf of the minister in relation to services performed by that minister in the exercise of his or her ministry. Please note, however, that this is merely a designation. Any amount that exceeds the housing allowance exclusion permitted by tax law must be reported by the participant as taxable income.

If you have any questions about this, please contact the Foursquare Retirement Services Office.

### 10. MAY THE TERMS OF THE PLAN BE CHANGED?

While it is expected that the Plan will continue indefinitely, Foursquare and the Committee reserves the right to modify or discontinue the Plan at any time.

### 11. IS THE PLAN SUBJECT TO ERISA OR INSURED BY THE PBGC?

The Plan is a defined contribution church plan and is not subject to the Employee Retirement Income Security Act (ERISA) and is not insured by the Pension Benefit Guaranty Corporation (the PBGC). The Plan is also a church plan as defined in section 414(e) of the Internal Revenue Code and section 3(33) of the Employee Retirement Income Security Act (“ERISA”). The Plan has not made an election under Code section 410(d) and is exempt from ERISA. The Plan was established on January 1, 2000. Participants’ accounts under certain other 403(b) plans, including the Foursquare Security Plan, have been or may be transferred to this Plan.

### 12. HOW CAN I REQUEST PLAN BENEFITS?

The Committee has designated Lincoln to receive requests for distribution and other claims related to the Plan.

The following rules describe the claims procedure under the Plan:

- **Filing a claim for benefits:** A claim or request for Plan benefits is considered filed when a written communication requesting payment of benefit is made to Lincoln.

- **Processing the claim:** Lincoln will process the claim within 90 days after the claim is filed. If an extension of time for processing is required, written notice will be given to you before the end of the initial 90-day period.
The extension notice will indicate the special circumstances requiring an extension of time and the date by which Lincoln expects to render its final decision.

In no event can the extension period exceed a period of 90 days from the end of the initial 90-day period.

- **Denial of claim**: If a claim is wholly or partially denied, Lincoln will notify you within 90 days following receipt of the claim (or 180 days in the case of an extension for special circumstances). The notification will state the specific reason or reasons for the denial, specific references to pertinent Plan provisions on which the denial is based, a description of any additional material or information necessary to perfect the claim, and appropriate information about the steps to be taken if you wish to submit the claim for review. If notice of the denial of a claim is not furnished within the 90/180-day period, the claim is considered denied and you are permitted to proceed to the review stage.

- **Review procedure**: You or your duly authorized representative have at least 60 days after receipt of a claim denial to appeal the denied claim to the Committee and to receive a full and fair review of the claim. As part of the review, you will be allowed to review all Plan documents and other papers that affect the claim and must be allowed to submit issues and comments and argue against the denial in writing.

**Decision on review**: The Committee will conduct the review and decide the appeal within 60 days after the request for review is made. If special circumstances require an extension of time for processing (such as the need to hold a hearing if the Plan procedure provides for such a hearing), you will be furnished with written notice of the extension, which can be no later than 120 days after receipt of a request for review. The decision on review will be written in clear and understandable language and will include specific reasons for the decision as well as specific references to the pertinent Plan provisions on which the decision is based. If the decision on review is not made within the time limits specified above, the appeal will be considered denied. All interpretations, determinations, and decisions of the reviewing entity with respect to any claim will be its sole decision based upon the Plan documents and will be deemed final and conclusive and will be afforded the maximum deference permitted by law.

**How to contact us**:

- **Mail**: Foursquare Retirement Services Office
  1910 W. Sunset Blvd., Suite 200
  Los Angeles, CA 90026
- **Phone**: (888) 635-ICFG (4234)
- **E-Mail**: retirement@foursquare.org

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