

Mennonite Retirement Trust Administrative Manual



**Mennonite
Retirement
Trust**

Introduction

Thank you for your participation in Mennonite Retirement Trust (MRT). This administrative manual will help you as the employer to administer the plan to benefit your organization and your employees within its legal and operational requirements.

General plan information

Mennonite Retirement Trust (the “Plan”) was established in 1963 to help ministers, missionaries, and employees of Mennonite and related congregations and agencies save money for retirement. Sponsored by Mennonite Church USA and available to other Anabaptist-related congregations and organizations, MRT is administered by Everence Trust Company, with record-keeping provided by Empower Retirement (ER).

MRT offers two types of plans. The 401(a) plan is a money-purchase pension plan funded primarily by employer contributions. In 2004, MRT introduced a 403(b)(9) retirement income account that allows both employers and employees to make pre-tax contributions to the plan.

Both the 401(a) and 403(b) are church plans, and consequently, not subject to the rules and regulations of the Employee Retirement Income Security Act (ERISA). As a church plan, employers participating in MRT are not required to file Form 5500.

This material is intended to provide general information. It is not intended as legal or tax advice. Please consult your tax attorney or accountant on specific questions related to your situation.

Responsibilities

This Administrative Manual also describes the various responsibilities and duties of the parties involved in the Plan’s administration (e.g., the employee-participant, the employer, Empower Retirement and Everence). It is each party’s responsibility to ensure that certain duties are fulfilled in a timely and appropriate fashion.

Fiduciary: It is important for employers to understand that, because they are involved in handling the employer and employee contributions made to the Mennonite Retirement Trust, they are fiduciaries and must fulfill their fiduciary responsibilities in the proper manner. It is important that employers transmit all contributions and data to Empower in a timely way. An employer that fails to forward all contributions in a timely manner may cause an employee to lose earnings on contributions credited to the employee’s account.

Investment advice: It is also important that employers do not provide investment advice to participants. An employer providing investment advice could be liable to a participant for any investment losses the participant incurs as a result of following this advice. Any participant inquiries that involve providing investment advice should be directed to an Everence representative.

If any information in this Administrative Manual conflicts with terms of the Mennonite Retirement Plan legal documents, the terms of the legal plan documents will be considered the controlling document.

If you have any questions about the employer’s responsibilities and duties under the Mennonite Retirement Plan, please contact Everence.

Responsibilities of parties

Capitalized words are defined in the Plan document. The plan document is located at www.everence.com/mrt under Resources.

Duties and responsibilities of the adopting employer

The following administrative functions have been allocated to all adopting employers:

1. Determining whether an employee is eligible to participate.
2. Timely enrolling of all its eligible employees.

3. Promptly submitting completed enrollment forms following receipt of the relevant information from its employees. Please note, completing an enrollment form is not a prerequisite to an employee's eligibility for employer non-elective contributions.
4. Notifying Empower of a termination of employment, the granting and termination of leaves of absence, the commencement of and return to work after periods of disability, and other facts or events which may be relevant in the operation of MRT.
5. Promptly distributing to participants any notice or other communication to the extent such notice or communication pertains to MRT or its operation and Everence or Empower indicates is for the attention of such employees.
6. Forwarding all Contributions to Empower as follows:
 - a. Elective Deferrals – as soon as administratively possible, but in no event later than 15 days following the month in which the deferral was made
 - b. Employer Contributions – within thirty (30) days following the end of each calendar quarter.
 - c. Matching Contributions – within thirty (30) days following the end of each calendar quarter.
 - d. All other Contributions – within a period that is not longer than reasonable for the proper administration of the Plan.
7. Determining the Participant's Compensation for purposes of monitoring the maximum employee contributions that a participant may contribute.
8. Providing Everence and/or Empower with all information necessary to perform contribution limits testing under Code Sections 402(g), 414(v) and 415(c). (Note: Everence and/or Empower will assist the employer in performing limits testing but will not be responsible for monitoring limits to the extent the employer maintains other 403(b) plans or provides Everence and/or Empower with incomplete or inaccurate information.)
9. To the extent the employer elects to subject employer contributions or matching contributions to a vesting schedule, providing Empower with the information necessary to determine when a participant has been vested and when a forfeiture should occur.
10. If the employer elects to offer automatic enrollment, providing the annual notice to employees unless arrangements are made with Empower to provide the notice.
11. Determining the employer's status, including whether it is a Code section 501(c)(3) organization, whether it is a QCCO or Non-QCCO and whether it is a member of a controlled group.
12. Updating the adoption agreement whenever changes are made to eligibility requirements, contribution amounts, and other information related to the agreement.

Duties and responsibilities of Everence and/or Empower

The following administrative functions have been allocated to Everence and/or Empower:

1. Processing requests for benefits.
 2. Assisting the employer in performing contribution limits testing under Code Sections 402(g), 414(v) and 415(c), to the extent Everence and/or Empower receive complete and accurate information.
 3. Providing 402(f) (Special Tax Notice Regarding Plan payments) notices to Participants who are eligible to receive distributions.
 4. Administering hardships in accordance with applicable rules and regulations and based on information from the employer regarding investments with other vendors, if applicable.
 5. Processing corrective distributions of excess deferral contributions and tracking and reporting and/or distributing excess 415(c) contributions in accordance with applicable IRS regulations, but only to the extent such excess deferrals or excess contributions have been identified by the employer.
 6. Withholding and reporting any federal and state taxes on any distributions made directly to any participant and/or the participants beneficiaries, as appropriate.
 7. Providing quarterly statements to participants summarizing the activity of the employee's account during each calendar quarter.
 8. Providing notification to participants who are age 72 (70½ if the participant was born June 30, 1949, or earlier) that they may be required to take required minimum distributions and calculate and distribute such amounts as may be required by MRT and the Internal Revenue Code.
 9. Selecting and monitoring the performance of the investment funds available for investment direction by participants in MRT.
 10. Determining that any transfers and rollovers comply with applicable requirements and limitations.
 11. Determining the status and acceptability of qualified domestic relations orders to the extent that such orders apply to assets held in MRT.
 12. Determining whether a participant is disabled.
 13. If the employer has other 403(b) vendors or 403(b) plans, coordinating with the employer to the extent necessary to comply with the requirements of the Code and the applicable Treasury Regulations.
 14. Performing nondiscrimination testing as required, to the extent the necessary information is provided by the employer to Empower.
- Duties and responsibilities of Everence Consultants

Duties and responsibilities of Everence Consultants

1. Work with Everence retirement staff to establish and update plans for employer groups.
2. Work with the employer to set up enrollment meetings for newly eligible employees.
3. Work with the employer to set up periodic employee group meetings to encourage employee participation.
4. Meet with participants to answer questions about the plan and investments.