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EMPLOYER INFORMATION

Eligible ministry employer must be a church; a convention or association of churches (such as a district council); an elementary or secondary school which is controlled, operated, or principally supported by a church, or convention or association of churches; or a qualified church-controlled organization; and, AGFinancial is a service provider for its 403(b) plan (Plan).

Certain information must be shared with AGFinancial and any other service providers to ensure compliance with 403(b) regulations. AGFinancial will request that information when necessary. Terms used in this Employer Adoption and Service Agreement (Agreement) and in the AGFinancial 403(b) Retirement Plan document (Plan Document) have the same meaning. If more space is needed to complete any section of this Agreement, attach a signed and dated addendum and reference the applicable section number.

Employer Name	Tax Identification Number		
Address	City	State	Zip
Phone Number	Email Address		

- Initial Agreement
 Amended Agreement

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SERVICE PROVIDERS

Select one option below regarding the exclusivity of this Agreement.

- AGFinancial is Employer's exclusive service provider
 Employer uses multiple service providers

List all current service providers (other than AGFinancial) as well as those previously used subsequent to December 31, 2004. Also indicate which features were provided by each service provider.

SERVICE PROVIDER NAME	CURRENT	PREVIOUS	PLAN LOANS*	HARDSHIP DISTRIBUTIONS
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

**If any employee has an outstanding loan with another service provider, attach a sheet providing loan details for proper administration within IRS and Plan limitations. Include: Employee name, Social Security number, service provider administering the loan, maturity date, current balance, and the highest outstanding balance in the last 12 months.*

403(B) ADOPTION AND SERVICE AGREEMENT

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ADOPTION AGREEMENT

Employer states and agrees: 1) This Plan is a retirement income account under section 403(b)(9) of the Internal Revenue Code (IRC); 2) this Agreement sets forth the rules of contribution and eligibility for participation of its employees in the Plan; 3) that AGFinancial will serve as a service provider for Plan purposes; and 4) that it adopts the provisions of the Plan Document and, if applicable, the appropriate documents of any other approved service providers and incorporates them herein by reference for 403(b) compliance purposes and for coordination of administration.

I. SERVICE PROVIDERS

Employer adopts AGFinancial as a service provider. Any other approved service providers must be listed in Section 2 of this Agreement. Employer shall operate its Plan in accordance to 403(b) regulations and other federal and state laws, the provisions of this Agreement, and the provisions of any other service providers' documents and agreements.

Employer shall share information with each service provider as necessary to ensure compliance with 403(b) regulations is met.

II. COMPENSATION

Define compensation for use in calculating deferrals and/or employer contributions. *Select all that apply.*

- Regular pay reported on Form W-2
- Overtime pay reported on Form W-2
- Bonuses reported on Form W-2
- Minister's housing allowance (credentialed ministers only)
- Annual rental value of a ministry-provided parsonage (credentialed ministers only)
- Other income included on Form W-2 (*list*) _____

Amounts deducted and excluded from taxable income as allowed by law shall be part of compensation unless Employer elects to exclude from compensation by checking the options below. *Select all that apply.*

- 403(b) elective deferrals
- Section 125 flexible spending account contributions
- Other (*describe*) _____

III. EMPLOYEE CONTRIBUTIONS

Employee contributions should not exceed legal limits. See maximum contribution limits at www.agfinancial.org. Payroll deduction deferrals should only be made pursuant to a written salary reduction agreement signed by an employee except to the extent that an automatic enrollment program has been adopted. *Check here if deferrals are not offered.*

If an employee has made a one-time irrevocable election to have compensation deferred to a 403(b) plan on or before the employee first becomes eligible to participate in the Plan, or if compensation deferrals are mandatory as a condition of employment, such contributions are not considered deferrals for contribution limitation purposes. These contributions will be considered employer contributions and are subject to the higher overall limit of 403(b) contributions. These contributions are considered employer contributions.

Employees' rights to make salary reduction contributions may not be conditioned on any other right or benefit (except for an employer matching contribution). Example: You cannot require an employee to enroll in health insurance in order to be able to make salary reduction contributions to the Plan.

A. Eligibility Requirements

Select one. The following employees are eligible to participate in the Plan through deferrals and salary deductions:

- All employees are eligible to participate (*Recommended*)
- Employees who meet the following service requirements:
 - Expected to work _____ hours or more per _____
 - Other (*describe*) _____

403(B) ADOPTION AND SERVICE AGREEMENT

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B. Service Requirements

Indicate the service requirement to be met before an eligible employee becomes eligible to begin employee contributions. Select one option below.

The first day that an employee meets eligibility requirements listed above in Part A.

Other (describe) _____

C. After-Tax Provisions

Employees who qualify for employee contributions shall be able to make pre-tax deferrals to the Plan. Indicate if employees may also make after-tax contributions to the Plan by selecting one or both of the after-tax contribution options below.

Designated Roth Contributions

- If designated Roth contributions are allowed, pre-tax deferrals must also be permitted.
- Designated Roth contributions have different distribution restrictions than a Roth IRA. The distribution restrictions are the same as for pre-tax deferral contributions.
- Only employee deferrals are eligible to be designated Roth contributions. Employer-paid contributions are not eligible to be designated Roth contributions.

Traditional After-Tax Contributions

- Traditional after-tax contributions made to a 403(b) plan have been taxed before the contribution is made. Earnings grow tax-free while in the Plan. Each distribution is considered a proportionate withdrawal of tax-free contributions and taxable earnings.
- There are no withdrawal restrictions on traditional after-tax contributions. The earnings portion of a distribution is taxable and a 10% early withdrawal penalty may apply on earnings in certain circumstances.

IV. EMPLOYER-PAID CONTRIBUTIONS

Check here if employer-paid contributions are not offered.

A. Eligibility requirements

The following employees are eligible to participate in the Plan through employer contributions.

All employees are eligible to participate (*Recommended*)

Employees who meet the following service requirements can participate in employer contributions. *Select all that apply.*

Employees who are age _____ or older

Employees who have completed _____ months of service

Past service with other AG ministries shall be considered

Past service of former employees who are rehired shall be considered

Employees who are expected to work _____ hours per _____ (week, pay period, month, year)

Other _____

B. Contribution Types

The following types of employer contributions shall be made for eligible employees. *Select all that apply.*

Matching contributions (*Select one option below.*)

A matching contribution of 100% of employee's deferral contribution up to a maximum of _____% of compensation

A matching contribution of _____% of employee's deferral contribution up to a maximum of _____% of compensation

As determined annually by the ministry's board of directors

Other (describe) _____

Discretionary (non-matching) employer contributions (*Select one option below.*)

A fixed percentage equal to _____% of the employee's compensation

A percentage of eligible employee's compensation as determined annually by the ministry's board of directors

Other (describe) _____

SERVICE AGREEMENT

I. EMPLOYER CERTIFICATIONS

- A. Employer certifies that it meets all of the following criteria required to participate as a plan sponsor in the Plan:
- i. It is one of the following:
 1. An Assemblies of God church or other 501(c)3 organization approved by AGFinancial;
 2. A convention or association of churches (such as a district council) associated with the Assemblies of God;
 3. An elementary or secondary school which is controlled, operated or principally supported by an Assemblies of God church or convention or association of Assemblies of God churches; or
 4. A qualified church-controlled organization as defined under IRC 3121(w)(3) that is controlled by an Assemblies of God church or convention or association of Assemblies of God churches.
 5. Is a church or qualified church-controlled organization approved by AGFinancial to participate in the Plan and that is controlled by or associated with a church or convention or association of churches.
 - ii. It is a 501(c)(3) organization under the Internal Revenue Code (IRC) of the United States.
 - iii. Employer shall make contributions for employees only. Employer shall not make contributions for independent contractors and other self-employed individuals.
- B. Employer certifies that AGFinancial shall act as an approved service provider of 403(b) and other IRS qualified retirement plans for its employees. As such, Employer will make retirement contributions and allow transfers and exchanges from prior qualified plans solely to approved service providers.
- i. Employer will identify any approved service provider used and any vendor or investment provider previously used for retirement plan service prior to the execution of this Agreement.
 - ii. If AGFinancial is Employer's exclusive service provider, Employer will inform (in writing) any former service provider used requiring it to cease any loan and hardship distributions from their plans to Employer's participant employees.
- C. Employer certifies if it is not an AG ministry it will maintain doctrinal values that align with those of the Assemblies of God, submitted in writing prior to adoption of this Agreement, and subject to the approval of AGFinancial.
- D. Employer certifies that if it changes from a qualified church-controlled organization to a nonqualified church-controlled organization that it will be subject to AGFinancial's Nonqualified Church-Controlled Organization 403(b) Employer Adoption and Service Agreement (NQCCO Agreement), incorporated herein by reference, along with any updates and amendments to the NQCCO Agreement that may occur subsequent to the adoption of this Agreement.

II. EMPLOYER AND PROVIDER JOINT RESPONSIBILITIES

AGFinancial and Employer both:

- A. Agree to share information necessary for each party to carry out its responsibilities under IRC 403(b), U.S. Treasury Regulations for 403(b), any other federal or state law, and the written Plan provisions.
- B. Agree to maintain and administer the Plan according to federal and applicable state laws.
- C. Will not rely on employee or former employee self-certifications to carry out administration and compliance of the Plan regarding employment status including eligibility to delay required minimum distributions, eligibility to participate, contribution limits, eligibility for Plan loans, qualifications for hardship distributions, eligibility for other distributions, and any other matters prohibited by 403(b) regulations.
 - i. Section II C of this document does not preclude receiving self-certifications from the employee as allowed by law or regulation. The intent of the provision of the section is that the primary reliance on certification for compliance with 403(b) regulations will be from sources other than the employee.
 - ii. Employees who are responsible for Plan administration and compliance can certify items on behalf of the employer when proper documentation is available.
- D. Agree to implement necessary corrective action steps in relation to listed responsibilities.

III. EMPLOYER RESPONSIBILITIES

The Employer undertakes that it will assume the following responsibilities under this Agreement:

- A. Maintain this Agreement and other materials, including but not limited to, contracts with other service providers, employee policy manuals, etc. as a written plan (Employer Plan) that contains provisions which:
 - i. Identifies which employees or groups of employees are eligible to participate;
 - ii. Identifies when employees are eligible to participate;
 - iii. Identifies what contribution benefits are available to employees;
 - iv. Defines compensation for purposes of determining contribution benefits;
 - v. Contains any other provision of eligibility and benefits; and
 - vi. Does not violate 403(b) regulations, federal and state laws, and written Plan provisions and policies.
- B. Follow the terms of the Employer Plan.
- C. For the employee accounts maintained by AGFinancial, Employer adopts the provisions of the Plan Document by reference as part of Employer's Plan.
- D. Provide AGFinancial a copy of the Employer Plan materials, including any addendums or documents incorporated by reference, and provide AGFinancial with any future amendments made to such Employer Plan.
- E. Inform eligible employees what contribution benefits are available and information on how to enroll in the Plan.
- F. Provide eligible employees with proper forms for deferrals to the Plan if the Employer allows such contributions.
- G. Transfer contributions to AGFinancial on behalf of employees within a period no longer than is necessary for proper Plan administration. Contributions shall be made on a form provided by AGFinancial or a form that is acceptable to AGFinancial.

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- H. Monitor contributions so that the aggregated contributions to all service providers and vendors do not exceed maximum allowed contributions under IRC sections 402 and 415 including the 15-years of service catch-up provision of IRC 402(g)(7) and the alternative limit under IRC 415(c)(7).
- I. Maintain records of Plan contributions and actions taken regarding administration of the Plan.
- J. Perform administrative functions for determining if an employee qualifies for a hardship distribution under U.S. Treasury Regulation 1.403(b)-6 and exchange such information with AGFinancial for processing the distribution when AGFinancial is not the exclusive service provider.
- K. Perform administrative functions for determining if an employee exceeds Plan loan limitations under Internal Revenue Code section 72(p) and exchange such information with AGFinancial and any other service providers as needed for processing Plan loans when AGFinancial is not the exclusive service provider
- L. Perform administrative functions necessary for plan-to-plan transfers and contract exchanges under U.S. Treasury regulation 1.403(b)-(10)(b). Such functions shall include entering into an information sharing agreement with service providers for contract exchanges.
- M. Perform other administrative functions and information sharing with AGFinancial and other service providers for all responsibilities that need coordination of Internal Revenue Code requirements.
- N. Provide employee enrollment information to AGFinancial on forms provided by or acceptable to AGFinancial.
- O. Notify AGFinancial when an employee has had a severance of employment. Such information shall be in a manner and form that is acceptable to AGFinancial.
- P. Communicate errors in enrollment information, contributions, eligibility of employees to participate, and any other matter to AGFinancial as soon as administratively feasible.
- Q. Assign one or more employees as an AGFinancial contact for purposes of implementing, administering, and coordinating administration of the Plan.
- R. Inform AGFinancial when Employer no longer qualifies to participate in the Plan as an eligible employer as defined in the Plan Document and Employer Certifications Section above.
- S. Pay for requested services, approved by AGFinancial in advance, that are not ordinary in the course of administration of the Plan.
- T. Provide any other service or function not assigned to AGFinancial in order to administer the Plan in accordance with Internal Revenue Code 403(b), related regulations, and related guidance.

IV. AGFINANCIAL RESPONSIBILITIES

AGFinancial's responsibilities are limited to accounts maintained by AGFinancial. AGFinancial shall have no responsibilities, except responsibilities to share information as required by 403(b) regulations, in relation to accounts maintained by any other service providers and vendors. Under this Agreement, AGFinancial will:

- A. Maintain a written church plan document that contains general 403(b) provisions including, but not limited to the following:
 - i. Identify maximum contribution limits that do not violate provisions of IRC 403(b) including those referred to in IRC 415 and IRC 402.
 - ii. Identify the time and form of benefit distributions that do not violate IRC 403(b).
 - iii. Authorizes AGFinancial to designate clergy housing allowance on distributions made to ministers of the gospel within the meaning of IRC 107.
 - iv. Contains other provisions for the proper administration of the Plan that are not allocated to the Employer under this Agreement.
- B. Establish policies and procedures for the proper administration of the Plan.
- C. Provide for recordkeeping of employee 403(b) accounts in the Plan.
- D. Provide investment options for employee contribution accounts in the Plan.
- E. Accept and process employee contributions from the Employer.
- F. Monitor and process requests for distributions including qualified domestic relation orders (QDRO) and, when accompanied by Employer's certifications of employee eligibility, hardship distributions, and Plan loans according to Plan provisions.
- G. Perform administrative functions for hardship distributions under U.S. Treasury Regulation 1.403(b)-6, including, but not limited to, determining employee qualification for hardship distributions, and exchanging such information with AGFinancial for processing hardship distributions when AGFinancial is not the exclusive service provider.
- H. Perform administrative functions for processing Plan loans according to Plan provisions, including, but not limited to, determining if an employee exceeds Plan loan limitations under IRC Section 72(p) and exchanging such information with AGFinancial and any other service providers as needed.
- I. Report distributions for tax purposes.
- J. Assist in informing the Employer regarding provisions of IRC 403(b) and U.S. Treasury regulations regarding 403(b) plans via the AGFinancial website or other means.
- K. Assist in providing employees 403(b) educational material through the AGFinancial website or other means.
- L. Provide client service to employees regarding their accounts in the Plan. Such service shall not include service for those provisions that are controlled by the employer (e.g., eligibility, service requirements, contribution benefits, and definition of compensation for contribution purposes).

V. HOUSING ALLOWANCE

- A. Employer designates 100% of eligible plan distributions and withdrawals made to participants who are ministers of the gospel as housing allowance under Internal Revenue Code 107.

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- B. Eligible distributions shall be determined by AGFinancial policies, including consideration of age, source of rollover contributions, disability, loan defaults, IRS guidance, hardships, or any other consideration AGFinancial deems necessary.
- C. Employer authorizes AGFinancial to manage and report housing allowance designation for Employer's employees who are credentialed ministers performing services in the exercise of ministry.

VI. MISCELLANEOUS PROVISIONS

- A. Confidentiality. The Parties agree that each, or their authorized representatives, will maintain as confidential any information provided by the other pursuant to this Agreement, unless otherwise required by law.
- B. Indemnification. The Employer agrees to indemnify AGFinancial, its parent, subsidiaries, affiliates, its officers, directors, and employees against any loss, liability, or expense, including reasonable attorney's fees, incurred by them arising out of any breach, act or omission, or violation of law by Employer in connection with AGFinancial's performance of this Agreement.
- C. No Authority to Sign for Company. The Employer has no authority to enter into contracts or agreements on behalf of AGFinancial. This Agreement does not create an employment relationship, a partnership or joint venture between the parties hereto.
- D. Accuracy of Information. The Parties agree that each is obligated to provide only information available on its records and AGFinancial does not guarantee the accuracy of any information that is based on certification by a participant or a previous provider.
- E. Assignment. The Parties agree that the Employer may authorize in writing a third party to provide the information described above. However, this Agreement is not assignable without prior written consent from AGFinancial.
- F. Successors and Assigns. All of the provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, if any, successors, and assigns.
- G. Term. The dates stated in this Agreement, except for the execution date, shall be deemed to be extended to conform to any later available compliance dates that may be permitted by the IRS after the date this Agreement is signed.
- H. Headings. Section headings are not to be considered a part of this Agreement and are not intended to be a full and accurate description of the contents hereof.
- I. Waiver. Waiver by one party hereto of breach of any provision of this Agreement by the other shall not operate or be construed as a continuing waiver.
- J. Amendment or Termination. No amendment, change or modification of this Agreement shall be valid unless in writing signed by the parties hereto. This Agreement will remain in effect until terminated at any time by either of the parties upon thirty (30) days written notice, provided, however, that no amendment or termination of this Agreement shall terminate or limit the information sharing necessary to comply with Code § 403(b) and the regulations with respect to any contracts existing prior to the date of such amendment or termination or affect any liability incurred by AGFinancial prior to the date of such amendment or termination.
- K. Unenforceability of Provisions. If any provision of this Agreement, or any portion thereof, is held to be invalid and unenforceable, then the remainder of this Agreement shall nevertheless remain in full force and effect.
- L. Governing Law. This Agreement shall be governed under the laws of the State of Missouri.
- M. Arbitration. All claims and disputes arising under or relating to this Agreement are to be settled by binding arbitration in the State of Missouri. The arbitration shall be conducted on a confidential basis pursuant to the rules of the American Arbitration Association. Any decision or award as a result of any such arbitration proceeding shall be in writing and include the assessment of costs, expenses, and reasonable attorney's fees. An award of arbitration may be confirmed in a court of competent jurisdiction.

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ADOPTION AND EXECUTION

By signing below, I certify that I am a duly authorized officer or representative of Employer and that it has adopted the entirety of this Agreement as part of its 403(b) plan. I also certify that Employer agrees to follow the provisions in this Agreement and to perform the administrative functions associated with complying with the requirements of IRC section 403(b) and regulations except to the extent that those functions are allocated to AGFinancial in the Plan Document and any additional service agreements signed by the parties. If this Agreement is an Amended Agreement, I hereby certify that it supersedes and replaces any and all prior Agreements with AGFinancial. The parties hereto agree that facsimile signatures shall be as effective as if originals.

ACCEPTANCE OF ADOPTION AGREEMENT AND SERVICE AGREEMENT

Authorized Employer Representative Signature

Printed Name and Title of Employer Representative

Date

ACCEPTANCE OF SERVICE AGREEMENT

Authorized AGFinancial Representative Signature

Printed Name and Title of AGFinancial Representative

Date

This information and any information contained in provided links is not legal or tax advice. Information if from sources deemed reliable. Information is subject to error, omission, withdrawal, or change. Contact your own legal or tax advisor before taking any action that would have a legal or tax consequence.