



UPCI MRF, HRF and Code 403(b)(9) Plan

Summary of Plan Provisions

THE PLAN

The Ministers' Retirement Fund (MRF) is a 403(b)(9) retirement plan, which is specifically designed to meet the retirement needs for evangelical churches and church organizations. The MRF is exclusive to and designed specifically for the United Pentecostal Church International.

ADVANTAGES

As a 403(b)(9) plan, the MRF offers the following unique benefits to UPCI churches and ministers:

- ❖ **Tax Deferred Savings**
 - Participant contributions may NOT be subject to income tax until distributed.
 - Employer contributions are NOT subject to Social Security or income tax upon deposit.
- ❖ **Employer Flexibility**
 - Ability to impose eligibility restrictions on employees (age and/or service requirements).
 - Can discriminate on who receives employer contributions from the church.
- ❖ **Ministers' Housing Allowance***
 - Option for ministers to designate eligible distributions as a tax-advantaged housing allowance.
- ❖ **No Setup Costs or Minimum Investment Required**
 - Allows financial flexibility for both churches and ministers; fund at your own pace.

ELIGIBILITY

- ❖ **Any** UPCI affiliated church, district office or individual licensed minister is eligible to participate in the MRF.
- ❖ For participating churches and district offices, ALL paid employees (including non-ministerial staff) are eligible to open an account.

PARTICIPATION

There are two ways to open an account with the MRF:

1. Through a participating UPCI church or district office, or
2. As an individual for any UPCI licensed minister.

CONTRIBUTIONS

The MRF is an employer sponsored retirement plan so ALL contributions must be funded through the participating employer (i.e., your church or district office).

Please note ministers who open an individual account may contribute via their personal checking account; however, only UPCI earned "ministerial income" is eligible for deposit in the MRF.

Contribution Types:



❖ **Salary Deferrals**

- Taken directly from an individual's paycheck.
- Pre-Tax or Roth (after-tax) options available.
- **2026 Limit: \$24,500** (or 100% of annual pay, if lessor)
 - For participants over age 50, an additional \$8,000 "Catch Up" is permitted.
 - For participants that are Age 60-63, the Enhanced "Catch Up" amount is \$11,250.
 - Starting with tax year 2026, participants who earned more than \$150,000 in FICA wages from their employer in the previous calendar year **must** make catch-up contributions as Roth (after-tax) contributions.

❖ **Employer Contributions**

- Funded via the participating entity to employee accounts.
- Basic discretionary or matching options available.
- **2026 Limit: \$72,000** (or 100% of annual pay, if lessor)
Please note this limit is reduced by the amount of Salary Deferrals made.

❖ **Rollover/Transfers**

- Eligible outside retirement accounts can be rolled or transferred into the MRF.
- Your MRF Service Team will assist with this process.
- Not subject to contribution limits.

WITHDRAWALS

Participant distributions are permitted from the MRF for the following events:

- ❖ Separation from Employment
- ❖ Retirement
- ❖ Attainment of Normal Retirement Age, NRA (age 59 ½)
- ❖ Death, Disability or Hardship

Please note the following additional information regarding participant withdrawals:

- ❖ **Minister's Housing Allowance***
 - Available to ALL licensed ministers upon attainment of NRA.
- ❖ **Required Minimum Distributions**
 - ALL participants are subject to a required distribution upon attainment of age 73.
- ❖ **Plan-to-Plan Transfers**
 - Allowed to another 403(b) plan at any time, even if actively employed.
- ❖ **Withdrawal from Rollover /Transfer Contribution Source**
 - Eligible for distribution at any time, even if actively employed.

LOANS

Participant loans are permitted for actively employed participants ONLY. Please note the following detail regarding plan loans:

- ❖ Maximum of two outstanding loans permitted at any given time.
- ❖ Can borrow up to 50% of total account balance; subject to a \$50,000 regulatory limit.



- ❖ Minimum loan is \$1,000.
- ❖ Allowed up to 5 years for repayment; unless for the purchase of a principal residence.
- ❖ Interest rate is current Prime Rate + 1%.

PLEASE NOTE IF THERE IS ANY CONFLICT BETWEEN THE TERMS OF THE UPCI MRF, HRF or CODE 403(b) PLANS ("PLANS") AND THIS SUMMARY, THE TERMS OF THE PLANS WILL GOVERN.

**Please consult your professional tax advisor for any tax related questions and reporting requirements related to the Ministers' Housing Allowance withdrawal option.*