

MAY

This is our fifth monthly emailing. We would especially like treasurers or those handling your pension contributions to receive our emails so please make sure their email addresses are placed in The Wesleyan Church Portal system and **wpf@wesleyan.org** is added to contacts lists to avoid spam/junk folders. The portal lists are downloaded for each email sent because addresses change so, I apologize, but unsubscribing is not possible.

**We are using “treasurers” to mean all personnel your ministry uses to handle WPF business.*

**We are using “the Plan” to mean the retirement income account program maintained and administered by Wesleyan Pension Fund. The term “Plan” does not include any other plans or arrangements WPF or your employer may sponsor.*

Our topic today is: INSURANCE—GROUP LIFE AND GROUP LONG-TERM DISABILITY

You are entitled to receive a death benefit if you die prior to retirement while you are an active participant in the Plan. You are also entitled to disability benefits if you become disabled while you are an active participant in the Plan. This death benefit and disability benefit are paid from plans that are separate from and not a part of the Plan*. The *Summary Plan Description (SPD)* only provides a summary of your death and disability benefits. In the event of any conflict between the terms and provisions of such plans (or other underlying insurance policies) and the *SPD*, the terms and provisions of the plans (or such policies) shall control.

Both your death and disability benefits are based on your salary as determined by the WPF based on your employer’s pension assessment. For purposes of determining the amount of your death and disability benefits, your “salary” includes cash salary plus, if you are a minister, any additional amounts you receive for housing and utilities.

WPF assumes the contributions to the Plan it receives on your behalf are based on 12% of your salary (as defined in the preceding paragraph) and WPF uses this salary figure for both death and disability benefit purposes. For example, if your employer contributes \$2,100 to the Plan on your behalf, WPF will calculate your total salary to be \$17,500 ($\$17,500 \times 12\% = \$2,100$), and your death and disability benefits will be based on this amount of \$17,500, regardless of what your actual salary is. Therefore, for you to receive the maximum death or disability benefits available, it is important your employer’s contributions to the Plan be based on your actual cash salary and, in the case of clergy, any additional housing and utilities.

The formula for determining the life insurance benefit for individuals age 30 and younger is 4.0 times your salary, determined as described in the preceding paragraph, rounded up to the next higher multiple of \$1,000. The salary multiple drops 0.1 for each year of age past age 30, leveling out at 1.0 times your salary at age 60. This benefit is only available before retirement. Once you retire, you will no longer be covered under the WPF group death benefit plan. The maximum amount of life insurance benefit is \$550,000.

The amount of disability benefits equals 60% of your salary, determined as described above. The maximum amount of disability benefits to which you are entitled is \$10,000 per month. Your disability coverage is coordinated with any Social Security and/or Workers Compensation benefits you receive. In other words, any disability payments you receive from Social Security or Workers Compensation reduce the disability benefits payable under the WPF disability plan.

To receive disability benefits, you must be an active participant in the Plan. You are considered an active participant if contributions have been made to the Plan on your behalf during the previous 12 months. If you are classified as an inactive participant, you may become an active participant if contributions are made on your behalf. In this event, you may become eligible for disability benefits after 12 months of active participation if contributions to the Plan continue to be made.

To receive disability benefits, you must also provide proof of your disability. For purposes of the WPF disability plan, you are disabled if:

1. You cannot perform each of the material duties of your regular occupation; and after you have received disability benefits for 24 months, you cannot perform each of the material duties of any gainful occupation for which you are reasonably fitted by training, education or experience; or
2. You are unable to perform all the material duties of your regular occupation on a full-time basis, but you are:
 - performing at least one of the material duties of your regular occupation or another occupation on a full-time or part-time basis; and
 - earning currently at least 20% less per month than your indexed pre-disability earnings due to your disability.

If you are determined to be disabled by UNUM Insurance Company, your benefits will commence following a 6-month waiting period and will continue for as long as you are disabled up to age 65. If you are age 60 or over when your disability benefits first commence, you are entitled to receive disability benefits beyond age 65, provided you continue to be disabled. The number of payments which you are entitled to receive after age 65 depends on your age at the time disability payments begin.

You should understand that your retirement benefits may not necessarily be the same amount as your disability benefits. Your disability benefits are based on your salary prior to the date you become disabled, while your retirement benefits are based on the amount in your Plan account when you retire.

Your death and disability benefits are provided through the UNUM Insurance Company. You can obtain more information on the WPF death and disability plans on the WPF website, wesleyanpensionfund.com, under the "Group Insurance Benefits" section and clicking to download "Unum Life Insurance Plan" and "Unum Group Long-Term Disability Plan" (under their separate tabs).

Insurance claim forms can be obtained by emailing or calling the WPF office.

We hope these emails are helpful. If you missed one or need to refer to one, we now have them on our website. Scroll down to the navy-blue box under the *Online Payment System Login* and *First-Time Users Info*. Click on the **MONTHLY EMAIL** toggle and the light blue month links are documents that can be downloaded to view or print.

We encourage you to peruse our website and especially the *Summary Plan Description (SPD)*. The *SPD* can be found at the top of our webpage under "Keeping You Informed" and clicking the "Summary Plan Description" tab. It is also under "Resources" and the "Various Resources" tab at the bottom of the webpage.

***Tax Season Note: 2021 Minister's and Church & Profit Tax & Financial Guides are now available on our website in the "Resources" section.**

Serving HIM for your benefit,

**DEBRA LEVITE
DIRECTOR OF BENEFITS**

WESLEYAN PENSION FUND INC

P: 317.774.3954 T: 800.595.4131 F: 317.774.3955

NEW ADDRESS: 13300 Olio Rd, Ste 340, Fishers, Indiana 46037

wesleyanpensionfund.com — wpf@wesleyan.org