

PENSION PLAN

4146

I) **Plan Design**

- A) On July 1, 1999, the Diocese of Harrisburg adopted a 401(k) Plan to use as its' pension vehicle.
- B) Employees can defer (invest) 15% of their eligible compensation.
- C) Diocese of Harrisburg provides a 100% matching contribution on the first 4% of an employee's deferral (investment).
- D) Diocese of Harrisburg will make a non-elective (base) contribution of 4% at the end of each calendar year for all eligible employees.

II) **Eligibility**

- A) Eligible compensation includes all W-2 income.
- B) The plan covers only employees having completed at least one year of service.
- C) For eligibility purposes, a year of service is the 12-month period during which an employee is credited with 1000 hours of service.
- D) Hours of service are accrued on the basis of actual hours for which an employee is paid or entitled to payment.
- E) The plan has no minimum age requirement.
- F) The plan covers all employees who meet the above stated requirements with no exceptions.

III) **Vesting**

- A) All employer matching contributions are 100% immediately vested.
- B) Employer non-elective (base) contributions are vested over a 5-year period as follows:
 - 40% after year 2
 - 60% after year 3
 - 80% after year 4
 - 100% after year 5

Benefit Revised: July 1, 1999