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YOUR PENSION PLAN

This booklet is a short, simplified description of the Christian School Pension Plan (the Plan), its provisions and benefits. The Trustees offer it to participants and beneficiaries as a convenient way to understand the major provisions of the Plan.

Because it is condensed and simplified, this booklet is only a general summary of the terms of the Plan, not a complete description. If questions of interpretation arise, the actual Plan Document is the final authority. You can ask to have a copy of the Plan Document sent to you, review a copy at your school or view a copy at our website at www.CSIonline.org/benefits, under U.S. Pension, Publications.

This Summary Plan Description is current through September 1, 2012. The Plan is the legally registered document. If any discrepancy arises between the Summary Plan Description and the Plan, the provisions of the Plan take precedence. From time to time there are amendments and other updates to the Plan. To stay current on the provisions of the Plan, we recommend that you visit the CSI website to see the most current version of the Plan Document and read any of the Update communications that are posted there.

For questions regarding your Pension Plan visit our website at www.CSIonline.org/benefits, or call Christian Schools International at (877) 274-8796, extension 227.

This booklet uses a number of capitalized terms, which are defined and explained in greater detail in the Definitions Section.

THE PLAN

The Christian School Pension Plan is an excellent way to build toward a comfortable retirement. Combined with personal savings and Social Security, the Christian School Pension Plan can help you meet your retirement goals. Advance planning for retirement will help assure your basic finances are secure, and that you will have the freedom to do the things that make retirement worthwhile.

When Christian Schools International (CSI) began the program in 1943, the Pension Plan was a way people in the Christian school community could band together and help provide retirement benefits for Christian school employees. The founders were frugal, conservative people who wanted a fair program that provided a measure of security without undue risk.

The Plan has grown in strength and performance. Today there are about 150 participating schools in the U.S. with more than 11,200 individuals enrolled.

The Plan is a Defined Benefit Plan. This means that retirement benefits are guaranteed by the Pension Benefit Guaranty Corporation (see page 16), and that the Plan assumes all the investment risk. The Plan provides benefits beginning with your enrollment, and continuing for the rest of your life.

Every dollar you put into the Plan is always yours. If you leave employment before retirement, you can have all of your money refunded with interest.

For a projection of what your retirement income will be with this Plan, visit our website at www.CSIonline.org/benefits, or call CSI at (877) 274-8796, extension 227.
HOW THE PLAN WORKS

For retirees to maintain their preretirement lifestyle, they must have disposable income (Social Security, savings, pension plan) close to what was earned during their working years. The Christian School Pension Plan is designed to provide a portion of the money needed for retirement. This is how the Plan works:

1. Contributions may be made in two ways. One way is for you to make a contribution and your employer matches your contribution. A second way is for your employer to make the total contribution. If your employer makes the total contributions, one-half of the amounts contributed are credited to you as employee contributions.

2. Contributions become plan assets when made. Plan assets are held in a trust, the Christian School Pension Trust Fund, which is administered and invested under strict rules of fiduciary responsibility by the Board of Trustees appointed by the Board of Directors of CSI and by professional investment managers and advisors hired by the Board of Trustees. There are at least nine trustees, at least four of whom must be school board members or former school board members or otherwise involved with the administration of member schools or their educational functions and at least four of the remainder of whom must be plan participants.

3. You contribute to the Plan for at least five years to become Vested. If you leave the Plan before you have completed five years of participation, your contribution can be refunded with any accrued interest. This does not include the contributions made by your employer. Once you are Vested, you are eligible to receive a pension benefit upon retirement.

Retirement and other benefits are discussed in detail under the Benefits section of this booklet.

BENEFITS

1. PENSION BENEFIT

Normal Retirement Benefit. Your Normal Retirement Date is considered to be the first day of the month coincident with or following your 65th birthday. Available at age 65 when you retire, the pension benefit is also available at a reduced rate as early as age 55 if you choose to retire at that time.

The twelve monthly payments you receive during your first year of retirement will normally equal 60% of the total contributions you, as an employee, made to the fund prior to September 1, 2005 and 50% of the total contributions you, as an employee, made to the fund after September 1, 2005, plus any additions made to your account when the Trustees distribute excess funds (your accrued benefit). The monthly payments will continue for as long as you live.

If you choose the option to provide a larger benefit to your spouse or another contingent beneficiary than the one normally offered, your monthly payments will be smaller. (See #4, Retirement Benefit Options on pages 9-10.)

Supplemental Pension. If you are married, you are entitled to receive an annual supplemental pension equal to $20 for each year of adjusted credited service earned before September 1, 1973. The benefit will be paid for the lifetime of you and your spouse.

Early Retirement Benefit. Provided you are Vested, you may choose to retire as early as age 55 and you will receive a pension for life.

For contributions you, as an employee, made before September 1, 2005: If you retire between ages 62 to 65
your benefit is not reduced. If you retire before reaching age 62, your pension benefit will be 5% less for each year you are younger than age 62. For example, if you retire at age 60, your pension benefit is reduced by 10%.

For contributions you, as an employee, made after September 1, 2005: If you retire between ages 60 to 65, your pension benefit will be 8% less for each year that you are younger than age 65. If you retire between ages 55 to 59, your pension benefit will be 4% less for each year that you are younger than age 60 (plus 8% per year for age 60 to 65 reductions).

**Vested Benefit.** If you are Vested and leave employment in a participating school before you are retirement age, you are eligible to receive normal pension benefits based on your Accrued Benefit. You may also elect to begin benefit payments as early as age 55, but your benefits will be reduced.

If you discontinue participation in the Plan before reaching age 55, and you select the early retirement feature, your pension payment for contributions made prior to September 1, 2005 will be reduced by 4% for each year you are younger than age 65. Your pension benefit for contributions made after September 1, 2005 will be 8% less for each year, up to 5 years, that you are younger than age 65 and 4% less for each year, in excess of 5 years, that you are younger than age 65.

### 2. DEATH BENEFIT

If you die either before or after you begin receiving your pension benefit, your beneficiary is entitled to a lump sum payment of the balance in your Contribution Account plus accrued interest, provided that no pension benefits are payable to a survivor.

### 3. PRERETIREMENT SURVIVING SPOUSE BENEFIT

If you are married, Vested, and die before beginning to receive retirement benefits, your surviving spouse will receive the surviving spouse portion of the 50% Joint and Survivor Annuity. If you are Vested, age 45 or older, employed with a Participating Employer, and if your surviving spouse is not more than ten years younger than you, the spouse's benefit is 50% of your Accrued Benefit.

If you are an employee of a Participating Employer at the time of death, the annuity will begin the month in which the death occurs. If you are not an employee of a Participating Employer at the time of death, the annuity will begin the month that you would have reached age 55. If you had already reached age 55, the annuity will begin the month in which the death occurs.

### 4. RETIREMENT BENEFIT OPTIONS

**Joint and Survivor Annuity.** (Normal Retirement Benefit) If you are married, you will receive a reduced pension (surviving spouse annuity) during your lifetime so that 50% of your benefits will be paid to your surviving spouse for his or her lifetime. The amount of the reduction in monthly benefits is calculated on the difference in the ages between you and your spouse. You and your spouse may waive this benefit in writing and choose another benefit option.

If you are not married, or if you and your spouse waive the Joint and Survivor Annuity option, you will receive the full pension amount for life unless you elect another option. The surviving spouse will not receive a monthly benefit after your death. Any balance remaining in your Contribution Account at your death will be paid to your beneficiary.
Contingent Annuity. This option is similar to a Joint and Survivor Annuity, except that the benefit is paid to any beneficiary you choose, rather than to only a spouse. You may select the percentage of your benefit (50, 75 or 100%) to be paid for the life of the contingent beneficiary.

Period Certain and Life Annuity Options. These two options guarantee the pension benefit for five or ten years. If you die prior to having received five or ten years of benefit payments, the monthly payments will continue to your beneficiary until the total of five or ten years of benefit payments is reached.

Pop-Up Option. This benefit is an add-on benefit to the Joint and Survivor benefit and the Contingent Annuity Options. Under this option, if your surviving spouse or contingent annuitant dies before you, the monthly payment to you shall increase to the monthly amount that would have been payable as a Single Life Annuity when benefit payments began.

Two-Stage Retirement Payment Option. With this option you can have your benefit begin at or after age 62 and receive only the portion of your benefit that is not subject to early retirement reductions (benefits earned prior to September 1, 2005). At age 65 your benefit is increased by the portion of your benefit that would have been reduced for early retirement had you received it prior to age 65.

5. DISABILITY BENEFIT
If you become disabled while actively employed by a Participating Employer, you are entitled to temporary disability benefits beginning after four weeks of disability. The benefit is three-fourths of your monthly salary, payable monthly for a maximum of five months during any one period of disability.

6. CASH REFUND
If you are not actively employed with a Participating Employer, you may receive a cash refund of the balance of all your Employee Contributions with earned interest.

If you are Non-Vested, such a withdrawal will cancel all of your rights under the Plan, and will erase any credited service that may have been accumulated.

If you are Vested, and have an Accrued Benefit derived from the Employer Contributions, you still retain a right to that benefit. In the case of certain small benefits, if you elect a cash out of all of your Employee Contributions with interest, the plan may cash out your entire benefit including your Accrued Benefit derived from Employer Contributions.

Reinstatement of Benefits. If you are a participant whose Vested percentage is zero, and return to employment with a Participating Employer, you may repay the amount of the withdrawal with interest at 120% of the federal mid-term rate as in effect during the first month of the Plan Year, and regain all of your rights under the Plan. Repayment must be made within five years from the date of reemployment, providing your break in service was less than five years.
DEFINITIONS

1. **Accrued Benefit** — annual pension benefit payable for life, beginning at the Normal Retirement Date. The pension benefit is based on the total of the following factors:

   Employee Contributions......................60% of total for contributions made prior to September 1, 2005 and 50% of total contributions made after September 1, 2005

   Accrued Benefit effective 9/1/83............2% increase (for each year of Credited Participating Service from 9/1/51 - 8/31/83)

   Accrued Benefit effective 9/1/85............2% increase (for each year of Credited Participating Service from 9/1/83 - 8/31/85)

   Accrued Benefit effective 9/1/87......11.5% increase (for each year of Credited Participating Service from 9/1/85 - 8/31/87)

   Accrued Benefit effective 9/1/90............2% increase (for each year of Credited Participating Service from 9/1/87 - 8/31/90)

   Accrued Benefit effective 9/1/92...........3.5% increase (for each year of Credited Participating Service from 9/1/90 - 8/31/92)

   Accrued Benefit effective 9/1/94............2% increase (for each year of Credited Participating Service from 9/1/92 - 8/31/94).

2. **Adjusted Credited Participating Service** — the sum of the following prior to September 1, 2005:

   Years of Credited Participating Service under the 2% Plan, plus: 1.5 times the years of Credited Participating Service under the 3% Plan, plus: 2.5 times the years of Credited Participating Service under the 5% Plan.

3. **Credited Participating Service** — total number of years of employment with one or more Participating Employers during which you were an active contributor to the Plan.

4. **Contribution Account** — contains all the money you as a participant have contributed, and remains your property. If you leave the Plan, the Contribution Account, plus any accrued interest, may be refunded. In the event of death or retirement, benefit payments will draw from the Contribution Account and will reduce or eliminate the total Contribution Account.

5. **Defined Benefit Plan** — retirement benefits are determined by a set formula. Contributions made by employees and employers are managed and invested to provide specific benefits to employees.

6. **Early Retirement Date** — for all Participants (including those whose employment has terminated but who have a right to benefits under the Plan) means the first day of the month coincident with or next following the month in which the Participant has both attained age 55 and earned a Vested Percentage of 100%.

7. **Eligibility to Participate** — all employees who work full-time, half time or more than 1,000 hours annually must participate in the Pension Plan. Participation is a condition of employment for all eligible employees.

8. **Employer Contribution Plan** — became an option in 1982 to allow employers the option to contribute the entire 4, 6, 8, 10, 12 or 14%, depending on the Plan selected. Under this option, even though you have not contributed, half of all incoming money received in your name is regarded as your employee contribution and can be refunded with interest if you leave the Plan.
9. Normal Retirement Age; Normal Retirement Date — for all Participants (including those whose employment has terminated but who have a right to benefits under the Plan) means the first day of the month coincident with or next following the Participant’s attainment of the “Normal Retirement Age,” which shall be age 65.

10. Participant (Employee) and Employer Contributions — the employee’s contribution is collected through payroll deduction and the employer matches each contribution so that a total of 4, 6, 8, 10, 12 or 14% of the employee’s salary is deposited into the trust. Unless the school chooses the Employer Contribution Plan, employee contributions are made on an after-tax basis.

11. Participating Employer — Christian Schools International (CSI) and any CSI member school, society, or related group which chooses to participate in the Christian School Pension Plan.

12. Retirement — means termination of employment for any reason other than death, after a Participant is eligible for a Normal Retirement Benefit or an Early Retirement Benefit.

13. Vested — describes a participant who has completed at least five years of vesting service. A Vested participant is entitled to a lifelong retirement benefit.

14. 2% Plan, 3% Plan, 4% Plan, 5% Plan, 6% Plan and 7% Plan — the employer chooses one of these Plans. Except in the Employer Contribution Plan both the employee and employer contribute 2, 3, 4, 5, 6 or 7% of the employee’s annual salary, depending on which Plan is selected. Of course, largest retirement benefits accrue with the 7% Plan.

PROCEDURES

CHOICE OF BENEFICIARY
You may select the beneficiary who will receive any balance remaining in your Contribution Account after your death, and after all pension benefits to your survivors have stopped. Your selection of a beneficiary other than your spouse is not valid unless consented to, in writing, by your spouse.

You make this choice when you complete and sign the form furnished by your employer. You must use this form. A provision in your will is not sufficient for this purpose.

If you do not have a spouse at the time of your death, or if you and your spouse have filed a waiver to appoint a beneficiary other than your spouse, any lump sum benefits payable on your death will be made as follows:

1. to your designated beneficiary;
2. if your beneficiary is no longer living, to your spouse if you have one;
3. if your beneficiary is no longer living and you are not survived by a spouse, in equal shares to your children. If no children exist, to your parents or, if no parents exist, to your brothers and sisters.

APPEAL PROCEDURE
The Trustees have the responsibility for applying the Plan in individual cases, including decisions on Eligibility to Participate, right to receive benefits upon termination, the type and amount of any benefit entitlements and all other matters involving rights in the Plan.

If you believe you are entitled to receive a benefit different than that determined by the Trustees, you have a right to
ask the Trustees for a full and fair review of your benefit, provided you file a claim in writing with the Trustees no later than 120 days after such determination.

Within sixty days, the Trustees will give you their written decision. Reasons for the decision will be explained, including the section of the Plan on which the decision is based, and a description of any regulations affecting the decision. You will also be told about any steps you must take for further review.

After you receive the written decision, you or your representative has sixty days to submit a written appeal to the CSI Board of Directors.

The CSI Board of Directors must give you its final decision, in writing, along with an explanation of the reasons for its decision, within sixty days of receipt of the appeal, unless the Board determines that circumstances require an extension of time for processing the appeal.

**PENSION INSURANCE**

Your pension benefits under this plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) Normal and early retirement benefits; (2) disability benefits if you become disabled before the plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; (2) some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for the company; (4) benefits for which you have not met all of the requirements at the time the plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan’s normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC at:

PBGC’s Technical Assistance Division
1200 K Street N.W., Suite 930
Washington, D.C. 20005–4026
202–326–4000 (not a toll-free number)

TTY/TDD users may call the federal relay service toll-free at 1–800–877–8339 and ask to be connected to 202–326–4000.

Additional information about the PBGC’s pension insurance program is available through the PBGC’s website on the Internet at [http://www.pbgc.gov](http://www.pbgc.gov).
AMENDMENT
CSI has the right to amend the Plan at any time, but your accrued benefit or vested interest in the Plan cannot be decreased. If the vesting schedule is changed, participants in the Plan will always be covered by the vesting schedule most favorable to them.

TOP-HEAVY PROVISIONS
The Plan is also subject by law to periodic testing to determine if certain employees are earning more than 60% of the total plan benefits. If so, the plan is considered to be top-heavy.

Our Plan is not now, nor has it ever been, top-heavy. However, if it should become top-heavy in the future, special provisions will apply. Full details are included in the Plan Document. Your vested right to benefits earned under the plan will be determined using this table:

<table>
<thead>
<tr>
<th>Years of Credited Service</th>
<th>Vested Percentage of Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>20%</td>
</tr>
<tr>
<td>3</td>
<td>40%</td>
</tr>
<tr>
<td>4</td>
<td>60%</td>
</tr>
<tr>
<td>5 or more</td>
<td>100%</td>
</tr>
</tbody>
</table>

For each year a plan is top-heavy, you will be credited with at least a minimum benefit, which is what you will receive only if it is more than you would have earned under the plan’s regular benefit formula. Your minimum benefit will be 2% of your average compensation for each year the plan is top-heavy to a maximum of ten years.

In figuring your minimum benefit, average compensation means the average of your highest annual earnings for five or fewer consecutive top-heavy years.

LOSS OR REDUCTION OF BENEFITS
There are certain circumstances which may lead to the loss of part or all of your pension benefit.

- If your employment ends for any reason (including death) before you are eligible to participate in the plan or before you become vested, neither you nor any beneficiary are entitled to any benefits, except that you are always vested in your employee contributions credits under the plan.
- If you die before your pension benefit payments begin, and you were not married or you were married for less than twelve months at the time of your death, no benefits are payable from the plan except the employee contribution account plus interest.
- If you die after your benefit payments begin, no further benefits are payable from the plan except to the extent payable to your beneficiary under the form of payment you elected.
- If CSI amends the plan to stop benefit accruals or terminates the plan, you will stop accruing additional benefits under the plan. If your employer fails to make the required contributions or otherwise ceases to be a participating employer, you will stop accruing additional benefits under the plan.
- While highly unlikely, if the plan is terminated and the assets are insufficient to pay all accrued benefits or your benefits exceed the guaranteed amounts payable by the Pension Benefit Guaranty Corporation, your benefits will be reduced proportionately or to the maximum guaranteed amount.
- The plan is operated under certain assumptions. These assumptions are that it is a qualified plan under the Internal Revenue Code and that no amounts are contributed or failed to be contributed by error. If any of these assumptions is incorrect, your pension benefit may be adjusted or otherwise affected.
- Although also highly unlikely, certain limits set by the Internal Revenue Code may reduce, eliminate or otherwise affect your pension. These limits may affect your earnings used in determining your pension and/
or the maximum amount of pension you may receive.

- Generally, your benefits may not be assigned, sold, transferred, or pledged as collateral. However, there are a few limited exceptions to this general rule. For example, there can be a very limited garnishment of benefit payments. Also, the law requires that all or a portion of your benefit be used for court-ordered property settlement in divorce or separation, child support, or alimony payments if the Plan Administrator is presented with a “Qualified Domestic Relations Order.” The Plan Administrator will determine whether a domestic relations order is “qualified.” You have the right to receive, free of charge, a copy of the Plan Administrator’s procedures for making the determination. You or your legal counsel should contact the Benefits Department for information on QDRO procedures if you are involved in a divorce or other domestic relations matter.

**TERMINATION**

CSI may terminate the Plan at any time. If the Plan should be terminated, you will become fully vested in your Accrued Benefit. However, the funds may remain in trust to be distributed to you when you are eligible.

Any Participating Employer may terminate its participation in the Plan at the end of any school year.

**THE PLAN’S FUNDED STATUS**

While the Trustees intend to ensure that all Accrued Benefits under the Plan are satisfied, if the Plan develops a funding shortfall such that its assets are insufficient to cover all Accrued Benefits, and Participating Employers are unable or unwilling to make additional contributions to cover this shortfall, applicable laws may require the Trustees to reduce Accrued Benefits either on an ongoing basis or on termination of the Plan.

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**YOUR RIGHTS AND DUTIES**

**Rights**

As a Participant of the Plan, you are entitled to the following information:

1. An annual personalized statement showing your position in the Plan.
2. A statement showing your benefits and options under the Plan at the date of retirement or termination.
3. A plan description like this one that summarizes your rights and duties with respect to the benefits available under the Plan.
4. Notice of any amendment that would reduce or adversely affect your benefits accruing after the date of the amendment.

**Duties**

As a Participant of the Plan, you must comply with your obligations to:

1. Complete forms accurately and in a timely fashion.
2. Provide information about your spouse, changes in a spousal status, changes in your address and changes in beneficiaries to CSI in a timely fashion.

Failure to provide information or complete forms may result in delays in payment of benefits.

As a participant in The Christian School Pension Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:
Receive Information About Your Plan and Benefits
Examine, without charge, at the plan administrator’s office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the plan’s annual financial report. The Plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Additional Participant and Beneficiary Rights
A complete list of the employers sponsoring the Plan may be obtained by participants and beneficiaries upon written request to the Plan administrator, and is available for examination by participants and beneficiaries. In addition, participants and beneficiaries may receive from the Plan administrator, upon written request, information as to whether a particular employer is a sponsor of the Plan and the sponsor’s address.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Qualified Domestic Relations Order (QDRO)
Participants and beneficiaries can obtain, without charge, a copy of procedures governing qualified domestic relations order (QDRO) determinations from the Plan administrator.

Prudent Actions by Plan Fiduciaries
In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a (pension, welfare) benefit or exercising your rights under ERISA.

Enforce Your Rights
If your claim for a (pension, welfare) benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.
Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan’s decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions
If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory - or – write to:


You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.
PLAN DESCRIPTION

Name: Christian School Pension Plan
Address: 3350 East Paris Avenue SE
        Grand Rapids MI 49512-3054
Number: 001
Phone Number: (616) 284-3227
            (877) 274-8796, extension 227.

Sponsor: The Plan, established in 1943, is sponsored by Christian Schools International (CSI) who maintains the Plan for itself and for its participating schools. The Internal Revenue Service identification number of CSI is: 38-1565440.

Administrator: The administration is handled by a Board of Trustees appointed by the Board of Directors of CSI. The Christian School Pension Trust Fund has been established in connection with this Plan.

Agent: Executive Secretary-Treasurer

Plan Year: Begins on September 1 and ends on August 31. All records of the Plan are based on the Plan Year.

Duties of Trustees: In strict accordance with the terms of the Plan and the Trust Agreement, the Trustees determine eligibility for participation in the Plan, establish procedures for receiving benefits, and periodically review the schedule of benefits. The Trustees, with the help of qualified investment counselors, also carefully invest funds received. Investment policy is to seek safety of principal while securing the best possible yield.

QUESTIONS & ANSWERS

This section provides answers to the frequently asked questions posed by boards and participants. For a complete explanation of the features of your Pension Plan, consult the official Plan Document or contact the CSI Employee Benefits Department.

I am only working part-time. Can I be part of the Plan?
Yes, but you need to meet three criteria:

1. Must work for a Participating Employer. This is a group plan and individuals cannot join independently.
2. Must work at least 1,000 hours in a Plan Year unless your school has chosen the “once-in always-in” provision.
3. Required contributions to the Plan must be made.

Do I have to join the Plan even if I do not want to?
Schools offering the Plan for the first time can elect to allow current employees an option to participate in the Plan or not. This election is permanent. Thereafter, for new employees to the school, participation in the Plan is mandatory for those who meet the criteria above.

We have some investments and savings. I am also paying into Social Security. Why do I need a pension plan at all?
Unless you have a substantial savings account, you need pension income because Social Security provides such a small amount of money each month. For example, if you retired in 2012 at age 65 and your income was $50,000, your monthly Social Security benefit would only be about $1,300.

For most people to have a comfortable retirement, a
disposable retirement income of approximately 75% to 90% of after-tax income earned during the final working years is needed. To have that income, you need three sources: Social Security, a good employment pension and savings. Your employment Pension Plan will provide a substantial part of your income during retirement so it is a very important component of your retirement planning.

**Why a pension plan rather than a 401(k)?**
A common misconception is that defined contributions plans, like a 401(k), cost less and are a better value than defined benefit (pension) plans. This is false. The only savings gained by employers who switch from a defined benefit to a defined contribution plan is through dramatic reduction in the retirement benefit provided to you the participant. When designed to achieve equivalent benefits in retirement, defined benefit plans like the CSI Pension Plan significantly outperform 401(k) plans. In fact, an in-depth study by the National Institute on Retirement Security shows that defined benefit plans can deliver equivalent retirement benefits at a cost 46% lower than defined contribution plans. For more information about the advantages of defined benefit plans like the CSI Pension Plan you can read more on our website here: [www.CSIonline.org/benefits](http://www.CSIonline.org/benefits) under U.S. Pension, Publications.

**How does the Christian School Pension Plan and Trust Fund compare to the pension plans of public schools and businesses?**
This Plan, sponsored by Christian Schools International and administered by a separate Board of Trustees, is a first-rate program to secure a good retirement income. This Plan is better than many of the retirement plans offered by public schools and businesses.

**What is the employer contribution Plan?**
Participants in the Plan make contributions of 2, 3, 4, 5, 6 or 7% of their total yearly compensation, depending on whether their employers have chosen the 2% Plan, 3% Plan, 4% Plan, 5% Plan, 6% Plan, or 7% Plan. The employer then contributes an equal percentage, so the total contribution to the Plan is 4, 6, 8, 10, 12, or 14% of your yearly compensation. Some employers pay the total 4, 6, 8, 10, 12, or 14% contribution. This is known as the Employer Contribution Plan.

Employees in the Employer Contribution Plan are treated like the employees in the basic 2% Plan, 3% Plan, 4% Plan, 5% Plan, 6% Plan, and 7% Plans. One-half of the total contribution is credited as an employee contribution. For example, when employment ends, you can get a refund with interest equivalent to what would have been in your employee Contribution Account if you had personally paid the 2, 3, 4, 5, 6, or 7% contributions.

**What if I leave this job before I am eligible for a pension? Do I lose the money I have put in?**
Even if you have not worked long enough to become Vested, every dollar you put into the Plan as an employee is yours and can be refunded to you with interest upon leaving employment. Your contributions are in a Contribution Account that belongs to you. The balance in that account is the amount you contribute, plus interest.

**If I get sick, does this Plan help me financially?**
The Plan has a temporary disability benefit. If you are disabled, you receive three-quarters of your average monthly salary for a period up to five months.

**What does Vested mean?**
Although the money you put into the Plan is always yours and can be returned with interest if you leave employment, you are not immediately entitled to a pension. After you have made contributions to the Plan
for a prescribed time, you can collect a lifelong pension benefit and are said to be Vested. Employees are Vested after five years of participation.

**How can I know how much my pension will be?**
Your pension benefit is based on your contributions. Every year, you receive a status report that gives important information about the Plan and your status in the Plan. Refer to your most recent Status Report for information about pension benefits. If you are nearing retirement, the CSI Employee Benefit Department will be pleased to prepare a more detailed estimate of your pension. You can also calculate your own retirement pension income estimates online at our website. For more information on how to generate your own retirement calculations online, visit [www.CSIonline.org/benefits](http://www.CSIonline.org/benefits).

**What is the difference in benefits between the 2% Plan, 3% Plan, 4% Plan, 5% Plan, 6% Plan, and 7% Plan?**
Your school board will select the 2% Plan, 3% Plan, 4% Plan, 5% Plan, 6% Plan or 7% Plan. The benefit earned is directly related to the contribution level selected. For example, if the Plan is 3% of your yearly compensation, you will have a smaller payroll deduction, but you will have a retirement benefit that is only 50% as large as the 6% Plan.

For instance, someone retiring at age 65 after thirty years of service, with an average annual salary of $40,000, will receive a minimum of:
- $18,000 each year through the 3% Plan, or,
- $36,000 each year through the 6% Plan.

**If I leave employment here for a while and then come back, do I have to start from zero to become Vested?**
If you leave employment with a Participating Employer before you have completed the five years required for vesting, and do not ask for a refund of your contributions, you can return and continue the vesting process where you left off. If you ask to have your contributions refunded when you leave employment, your vesting process starts from zero when you return. However, if you return to employment and repay your previously refunded contributions with interest and within certain time limits, your vesting is reinstated to the point at which you left your first employment.

**The Plan Trustees invest my money to build a retirement fund. How do I know they are smart enough to make good investments? How do I know I will have a benefit when I retire?**
The Christian School Pension Plan and Trust Fund has a strong economic foundation of millions of dollars in accumulated Plan assets. Professional investment managers, who are selected and monitored by the Plan’s Trustees, invest the monthly contributions made by you and your employer. The investment strategy is to maximize return while minimizing risk. Since its inception over sixty years ago, the investment portfolio has generated sufficient returns.

**Do I have to wait until I am 65 to collect my pension? What if I want to retire earlier?**
Presently, the Normal Retirement Date is age 65. However, you can retire as early as age 55. If you retire early, your benefit will likely be reduced for early retirement.

**If I die before I retire, will my spouse get my pension benefits?**
If you die before you retire, and have been married to your spouse for at least a year prior to your death, your spouse will receive your pension benefit. Because your contributions to the Plan will have stopped before your retirement, your spouse will receive a reduced monthly payment.
I am concerned about inflation after I retire. Will this Plan have me locked into an income that shrinks with inflation?
The investments made with the fund result in growth. While the terms of the Plan do not provide for cost-of-living increases for retirees, in the past when investments have produced surplus funds, payments to retirees have been increased to partially compensate for inflation.

Suppose I retire and my spouse outlives me. Can I make sure my spouse has a lifelong pension after I am gone?
Yes, if you are married at retirement, you automatically receive the 50% Joint and Survivor Annuity retirement benefit. After you die, your spouse will receive 50% of your retirement benefit for life.

You may waive this benefit option with your spouse’s consent and choose another level of continuing benefits for your spouse. You also have the option of choosing an unreduced benefit with no provision for your spouse after your death.

If I am Vested, can I withdraw my money prior to retirement if I quit working?
Yes, if you terminate employment with a Participating Employer and are Vested, you can withdraw the current value of your pension benefit that is based on your Employee Contributions plus accrued interest. The value of your pension benefit that is based on Employer Contributions can only be taken as a monthly pension benefit at retirement. However, if the remaining pension is below a diminimus amount, you can withdraw that as well.

If I retire but then return to employment with a CSI employer, what happens to my benefit?
If an individual who is receiving a pension from the CSI Pension Plan provides services for compensation to a school that participates in the CSI Pension Plan, he or she is considered a re-employed pensioner and could be subject to the Plan’s eligibility provisions. This rule applies whether the person is employed by the school, self-employed or hired through a third party, such as a personal service corporation.

Your monthly pension benefits can be suspended because you have resumed qualifying employment with a CSI participating school and will be receiving pay for the employment and earning additional benefits under the plan during that employment. The suspension of benefit payments applies if you will be working at least 1,000 hours during the plan year and applies for each calendar month in which you will be working at least 40 hours.

Benefits will continue to accrue for the re-employed employee.

How do I stay current with the provisions of the Pension Plan?
Any time there is a material change to the Plan, you will receive a communication regarding the change. Make sure that CSI has your most recent mailing address and e-mail address. More importantly, it is recommended that you visit the CSI website to see the most current version of the Plan Document and read the Update communications that are provided for you there. The CSI website is located at: [www.CSIonline.org/benefits](http://www.CSIonline.org/benefits).
THANK YOU!
The Board of Trustees would like to take this opportunity to thank all schools and plan members who participate in this great retirement program and have enabled us to take care of each other as a community. It is because of your interest and cooperative spirit that we have a plan design that will provide:

- A meaningful pension benefit to plan members,
- A healthy, sustainable plan for the long term,
- More flexibility to adapt to an unpredictable future.