

**Questions and Answers about the  
Termination of  
The Roman Catholic Archdiocese of Atlanta Lay Pension Plan and Trust**

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**GENERAL INFORMATION**

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**1. What does it mean that the Archdiocese is terminating The Roman Catholic Archdiocese of Atlanta Lay Pension Plan and Trust?**

By terminating The Roman Catholic Archdiocese of Atlanta Lay Pension Plan and Trust (the “Lay Plan”), the Roman Catholic Archdiocese of Atlanta, Inc. (the “Archdiocese”), the sponsor of the Lay Plan, will no longer administer or manage the Lay Plan. Instead, Lay Plan assets will be distributed as you choose, as either a lump-sum payment paid directly to you or as a rollover to the Roman Catholic Archdiocese of Atlanta 403(b) Church Plan (the “403(b) Plan”) or another qualified plan or an Individual Retirement Account (“IRA”),

**2. What benefit will be replacing the Lay Pension Plan?**

Effective July 1, 2026, full-time employees will receive an employer contribution of 6% to their Empower 403(b) account. This contribution will be made on each bi-weekly payroll date and invested according to the investment options selected by the employee. Contributions will begin with the first payroll check in July 2026.

**3. What does the Plan Termination Mean?**

As a result of the Lay Plan termination, you will become 100% vested in your Lay Plan account (if you are not already full-vested) and your account balance will be distributed to you as either a lump sum distribution or a rollover. Your June 30, 2026 Account Statement will reflect your final payout balance. Final account distributions are anticipated to occur during the first quarter of 2027 once all administrative steps have been completed.

**4. Does the termination of the Lay Plan affect my future retirement benefits?**

No. In lieu of the benefit you were receiving under the Lay Plan, beginning July 1, 2026, the Archdiocese will begin making a contribution for eligible employees to the 403(b) Plan towards your retirement. To receive this new contribution, your employment status at the Archdiocese must be active and full-time. The contribution will begin with the first payroll check in July 2026 (please refer to question #2 above). You do not need to make salary deferrals into the 403(b) Plan to be eligible for the new contribution, however, you are permitted to do so if you should choose to do so.

In addition, you will have the right to direct the investment of the new contribution under your 403(b) Plan account, along with your elective deferral contributions. You will be provided with the investment choices that are available to you under the 403(b) Plan by the Plan Administrator. You will also be able to view the Archdiocese contributions made to your account and select your investments online at [www.empowermyretirement.com](http://www.empowermyretirement.com).

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## DISTRIBUTIONS FROM THE LAY PLAN

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### 5. When and how can I choose my Lay Plan payment method?

In September 2026, you will receive your 2026 Lay Plan Account Statement, an information package with instructions for making your election, the necessary forms and deadlines, reference materials and where to go if you have questions and your Distribution Election Form, which you will use to choose your payment option. You will have at least 30 days to complete and return your paperwork to the Archdiocese. Your election must be **received by the deadline stated in the packet** in order for your distribution to be processed.

### 6. What payment options will I have for my Lay Plan payout?

If you are **actively employed** by the Archdiocese at the time of distribution, you will have the following distribution payment options:

- A **lump sum** payment paid directly to you. Under this option, your distribution will generally be subject to 20% Federal income tax withholding and may also be subject to additional taxes and potential early withdrawal penalties.
- A **direct rollover** to (i) the Archdiocese 403(b) Plan, (ii) an IRA, or (iii) another tax-qualified retirement plan. Taxes are deferred on amounts you roll over.

If you are **no longer employed** by the Archdiocese at the time of distribution, you will have the following distribution payment options:

- A **lump sum** payment paid directly to you. Under this option, your distribution will generally be subject to 20% Federal income tax withholding and may also be subject to additional taxes and potential early withdrawal penalties.
- A **direct rollover** to (i) an IRA, or (ii) another tax-qualified retirement plan. Taxes are deferred on amounts you roll over.

We recommend you consult your tax advisor regarding the financial impact of the form of payment you elect and how it fits into your retirement income planning.

### 7. Can I roll over my payment to a Roth IRA?

Yes. You can elect to roll over Lay Plan payment into a Roth IRA. Please note that if you elect to roll over your Lay Plan payment to a Roth IRA, you will be taxed on your payment in the year of distribution.

### 8. Will I have to pay taxes on my lump sum distribution?

If you elect a lump sum distribution payment to be paid directly to you, federal income tax is required to be withheld from your distribution at the rate of 20%, as well as any applicable state taxes, in the calendar year in which it is

paid to you. You will receive a Form 1099-R reporting the distribution and the taxes withheld that you must report on your personal taxes.

In addition, if you elect a lump sum distribution payment to be paid directly to you and you have not yet attained age 59½, you will be subject to an additional 10% early withdrawal penalty on the lump sum distribution.

The taxes and penalties apply regardless of whether or not you are still working. You are cautioned not to make any decisions regarding the distribution of your Lay Plan benefit without consulting your own tax or financial adviser.

#### **9. Will I have to pay taxes on a direct rollover distribution?**

If you elect a direct rollover distribution payment, whether to an IRA or another tax-qualified retirement plan such as the 403(b) Plan, federal income taxes and state income taxes are deferred on the rollover amount. As a reminder, only active employees of the Archdiocese are eligible to roll over Lay Plan payments into the 403(b) Plan.

If you elect a direct rollover to a Roth IRA, it is a taxable event and federal income taxes and state income taxes, if applicable, will be due in the year of the rollover.

#### **10. Can I roll over my Lay Plan lump sum into the Roman Catholic Archdiocese of Atlanta 403(b) Church Plan?**

Yes. If you are an active employee of the Archdiocese, you should consider rolling it over into the 403(b) Plan for a number of reasons:

- Simplicity –the Archdiocese will transfer (if elected) your benefit from the Lay Plan to the 403(b) Plan. This way, you will avoid having to receive a payment, find a new investment vehicle or institution, open up a new account and deposit the check. The process will be handled directly by the Archdiocese and transferred directly into your 403(b) Plan account at Empower.
- One-stop money management – Your retirement savings from the Archdiocese will all be in one plan so you can track and manage your money through your Empower account.
- Income tax deferral – You will be able to defer income taxes on your Lay Plan benefit and any investment income it earns while it remains in the 403(b) Plan. The money will not be taxed until you take a distribution from the 403(b) Plan.
- Deferral of Required Minimum Distribution Payments (RMD) – As long as you remain employed by the Archdiocese, you will not be required to take RMD payments from your Lay Plan benefits rolled into the 403(b) Plan, even if you are over age 73, as you would if they were rolled into an IRA or other qualified plan.
- Other advantages – You can take advantage of all of the other 403(b) Plan features for the Lay Plan rollover money, including loans and withdrawals, if you need access to the money.

**IMPORTANT:** If you choose to rollover your benefit from the Lay Plan into the 403(b) Plan, **you must first be enrolled in the 403(b) Plan.** This simply means that you need to go on-line at [www.empowermyretirement.com](http://www.empowermyretirement.com) and set up your account. Empower will not accept your rollover if you have not enrolled in the Plan prior to the rollover. It does not mean that you need to make deferral contributions from your pay to the 403(b) Plan, an account must simply be established so that your account balance from the Lay Plan can be transferred into the 403(b) Plan.

**11. Can I elect to take part of my lump sum payment as a direct payment to me and roll over the remaining amount to the 403(b) Plan, a qualified plan or an IRA?**

Yes. Keep in mind that any payments made directly to you are taxable and possibly subject to early withdrawal penalties.

**12. What do I need to do if I elect to roll over my distribution into an IRA or another tax-qualified retirement plan?**

If you elect to roll over your distribution into an IRA or another tax-qualified retirement plan, you will need to know exactly how the check should be payable (e.g., Fidelity FBO Jane Smith). Your financial advisor or financial institution will be able to provide this information to you.

Please note – the rollover check will be mailed directly to you, and you will be responsible for delivering the check to your IRA or financial institution.

If your rollover check is made payable to you rather than the receiving institution and you (FBO you), different tax and timing rules can apply. To avoid these issues, we recommend confirming the exact payee wording with your receiving institution.

**13. What happens if I do not make a distribution election and return my distribution form?**

Your distribution cannot be processed without a completed election form. If you fail to timely return your distribution paperwork and make an election on how you would like to receive your benefit, your Lay Plan account balance will be escheated to the State in which you live. Once escheated, you must then make a claim for the funds from the State, not the Archdiocese. If your Lay Plan account balance is escheated to the state, it could take up to 6 months for the escheatment process to be completed before you would be able to make a claim for your benefit from the State.

**14. What happens if I elect a lump sum payment and do not cash the check?**

If you elect a lump sum payment and receive a check, but you do not cash the check, your benefit will ultimately be escheated to the State in which you live and once escheated, you would then need to make a claim for the funds from the State. The Archdiocese will not have your funds after they are transferred to the State.

**15. Does the Lay Plan termination trigger Required Minimum Distribution payments (RMDs)?**

No, the termination of the Lay Plan does not automatically trigger the payment of Required Minimum Distributions (RMDs), even if you have already attained age 73. However, your election on how your Lay Plan benefits are to be paid will determine if you must commence receiving your RMD payments if you have already attained age 73.

If you elect to roll over your Lay Plan benefit into the 403(b) Plan, you will not be required to take RMD payments of any benefit under the 403(b) Plan as long as you remain employed by the Archdiocese, even if you have already attained age 73. Once you terminate employment with the Archdiocese, if you have already attained age 73, you will be required to commence receiving your RMD payments, or, if later, at such time as you attain age 73 (or such later date as established by the Internal Revenue Service).

If you elect to roll over your Lay Plan benefit into an IRA or another qualified plan, you will be required to take your RMD payments when you attain (or if you have already attained) age 73, regardless of whether or not you are still employed by the Archdiocese. Such RMD payments will be made by the IRA provider or other employer of the qualified plan, not by the Archdiocese.

**16. Why am I eligible to elect a lump sum payment now when I was not eligible before?**

Even though you are still employed, you have become eligible to elect a lump sum payment as the result of the Lay Plan termination.

**17. Once I choose a payment method, can I change my mind later?**

No. Once you submit your completed distribution paperwork, your benefit payment choice will be final and cannot be changed. Your payment will be processed based on the option you selected, and federal rules do not allow changes or reversals once your election has been processed.

However, if you elected to rollover your benefit into a qualified plan, including the 403(b) Plan or an IRA, the payment of your benefit will be deferred, and you can decide later *when* to begin receiving your benefit payments. You must, however, commence your benefit no later than your attainment of age 73 or your termination of employment with the Archdiocese, if later.

**18. How long will it take to terminate the Lay Plan and distribute Lay Plan assets?**

We expect it will be approximately 6 – 8 months following the June 30, 2026 Termination Date for you to receive your benefit payment or rollover to be completed. Lay Plan assets should be fully distributed by the end of the first quarter of 2027.

**19. What happens if I terminate employment before Plan assets are distributed?**

Your benefit will be paid to you at the same time that all other Lay Plan assets are distributed as part of the termination process. Whether you leave employment before or after the termination date, your distribution will be paid only during the Plan's termination distribution process, not immediately upon your separation. In addition, you will not be eligible to rollover your distribution into the 403(b) Plan, but you can still roll over the funds into an IRA or another tax-qualified retirement plan.

**NEXT STEPS AND MORE INFORMATION**

**20. What happens during the Lay Plan termination process, and what do I need to do?**

The process and timing for terminating the Lay Plan, and what you need to do is outlined below:

<b>Timing</b>	<b>Activity</b>	<b>What You Need to Do</b>
February 2026	First Webinar – The Lay Plan is Terminating, What Next?	Review recorded Webinar posted on the Archdiocese intranet
September 2026	You will receive your 2026 Statement and a plan termination package with payment option details and the process for electing your Lay Plan payment	Decide on what payment option you want and complete the paperwork
October 2026	Second Webinar – I received my Package, What do I do now?	Sign-up and attend Webinar
November 1, 2026	<b>Deadline for electing your Lay Plan payment</b>	<b>Submit your completed Lay Plan payment option paperwork</b>
Lay Plan distribution date First quarter of 2027	Lay Plan assets are distributed to participants in the form they elected (lump sum payment paid directly to you, rolled over to 403(b) Plan or another qualified plan or IRA, or paid directly to you)	No action required

**21. What do I have to do now?**

You do not have to do anything at this time. However, now is a good time to evaluate your short- and long-term savings as well as all your potential retirement income sources and consider consulting your tax advisor about your choices. This way, you will be better prepared to choose the payment method for your Lay Plan benefit once you have the opportunity. It is recommended that you also review your beneficiary designations for both the Lay Plan and the 403(b) Plan to ensure it reflects your current wishes. It is also important to notify the Archdiocese immediately if you change your mailing address, email address or marital status so that all required materials can reach you without delay.

**22. When and where can I get more information?**

There are several ways for you to obtain information about the Lay Plan termination:

- You will receive a Lay Plan termination package with payment option details and the process for electing your Lay Plan payment. We expect to send it to you some time in late September 2026.

- Plan Summary(ies) are available by contacting Lily Gallagher, Director of Benefits, by telephone at (404) 920-7485, Monday through Friday, 9:00 a.m. to 4:00 p.m. Eastern Time, by email at [lgallagher@archatl.com](mailto:lgallagher@archatl.com), by mail at Archdiocese of Atlanta, 2401 Lake Park Drive SE, Smyrna, GA 30080.
- You can contact Empower for information about the 403(b) Plan, as well as for financial planning information, tools and resources. Visit them at [www.empowermyretirement.com](http://www.empowermyretirement.com) or call 1-866-467-7765.

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