



## **LLUMC, LLUCH, LLUBMC, LLUMC-MH, LLUSS AHRP Retirement Vesting Frequently Asked Questions (FAQs)**

### **What is vesting?**

Vesting is the term used to describe the portion of your retirement account that belongs to you. 100% vested means the entire balance belongs to you, 0% vested means the balance does not yet belong to you.

### **How does vesting work in the AHRP?**

You are always 100% vested in the contributions you make to your AHRP account, in rollovers made into your AHRP account from IRAs or other qualified plans, and on the related investment earnings. These balances are maintained in your AHRP 403(b) Plan - so your AHRP 403(b) Plan balance is always 100% vested.

However, contributions made by your employer (Employer Basic and Matching benefits) are subject to a vesting schedule which describes the requirement that you must fulfill before these funds belong to you. Employer contributions are maintained in your AHRP 401(a) Plan – so, you will observe that your 401(a) Plan balance is either 0% vested – meaning you have not yet met the vesting requirement, or 100% vested – meaning you have met the vesting requirement and these funds now belong to you.

### **What is a cliff vesting schedule?**

Effective March 16, 2017, LLUH AHRP changed from a 5-year cliff vesting schedule to a 3-year cliff vesting schedule. The 3-year cliff provides no vested benefit (ownership) of employer contributions made to the participant's account until the participant has accrued three years (previously five) of vesting service. Upon meeting this requirement, the participant has reached the "edge of the cliff," and is 100% vested.

### **What is a year of vesting service?**

A participant working for an AHRP Participating Employer earns one year of vesting service if, during a calendar year, he/she receives compensation for at least 1,000 hours in an eligible position and is at least 18 years of age by year end. AHRP vesting service may be earned for work performed at any AHRP Participating Employer (not just the current employer) or other Seventh-day Adventist employers in the United States.

### **What if I terminate employment before completing the vesting schedule?**

If you terminate employment before completing the vesting schedule requirement, your unvested employer contributions and related earnings are subject to forfeiture (removal from your account). However, the unvested balance will remain in your AHRP account until 450 days following your termination date.

### **What if I terminate employment and later return to work at an AHRP Participating Employer?**

Your "forfeited" account balance will be restored to your AHRP Account (without earnings during the period of forfeiture) if you return to work with any AHRP Participating Employer before incurring five consecutive break in service years. (For this purpose, a break in service year is a calendar year in which you are compensated for less than 501 hours of service).

### **Where can I find my vesting status?**

Your vesting status is reflected on your quarterly AHRP 401(a) account statement. Additionally, you may also determine your vesting status by viewing your account on the AHRP website (<http://ahrp.com/>).

### **Who do I contact if I have questions regarding my vesting status?**

If you have questions regarding your vesting status or vesting credit, please contact AHRP directly by calling (800)730-2477.