

**CATHOLIC DIOCESE OF FORT WORTH  
PRIESTS' PENSION PLAN**

**SUMMARY PLAN DESCRIPTION**

This summary of the Catholic Diocese of Fort Worth Priests' Pension Plan (the "Priests' Pension Plan") is furnished to help you understand the Priests' Pension Plan and the benefits it provides to you. This summary describes the Priests' Pension Plan as in effect for a participant whose employment with the Catholic Diocese of Fort Worth (the "Diocese") terminates on or after July 1, 2013.

This summary plan description is intended for your general information only. If any provision of the Priests' Pension Plan or its trust document is inconsistent with the description in this summary, the provisions of the Priests' Pension Plan and the trust document will control.

**Plan Information**

Plan Name:

Catholic Diocese of Fort Worth  
Priests' Pension Plan

Plan Sponsor:

Catholic Diocese of Fort Worth  
800 West Loop 820 South  
Fort Worth, Texas 76108-2919  
(817) 560-2452  
Employer identification number 23-7052369

Plan Administrator:

Retirement Committee  
C/O Finance Office  
800 West Loop 820 South  
Fort Worth, Texas 76108-2919  
(817) 560-3300

**Plan Administration**

The Plan is administered on behalf of the Diocese by a Retirement Committee consisting of at least five persons appointed by

the Bishop of the Diocese to serve in his name. The powers of the Retirement Committee include the power to interpret the Priests' Pension Plan, to decide all questions of eligibility thereunder, and to determine the amount, manner and time of payment of any benefits thereunder.

**Participation**

With limited exceptions, you are eligible to participate in the Priests' Pension Plan if you are an ordained priest employed by the Diocese. You will automatically become a participant in the Priests' Pension Plan on the first day of the first month following the date of your ordination to the priesthood for service in the Diocese or the date of your incardination in the Diocese, regardless of your age at that time.

**Pension Benefits**

The Priests' Pension Plan offers several types of pensions. You will be eligible for a pension under the Priests' Pension Plan if you satisfy the requirements for one of the pensions described below. The type of pension for which you are eligible depends on your age and years of Service at the time your employment with the Diocese terminates. As discussed below, seven years of Service is the minimum period of employment required for any pension from the Priests' Pension Plan (other than a Disability Pension), and a Normal Pension requires both serving as a priest until age 70 and completing at least 15 years of Service.

Throughout this summary, the term "Service" refers to your aggregate periods of employment by the Diocese as a priest incardinated in the Diocese and any additional employment by the Diocese while an ordained priest (other than a member of a religious congregation or order)

seeking incardination in the Diocese. Any leave of absence authorized by the Diocese will not be considered as interrupting the continuity of employment provided you return within the period of authorized absence. Following the commencement of your pension benefits under this Plan, only periods of full-time employment are taken into account in determining your Service.

### **Normal Pension**

You are eligible for a Normal Pension if your employment with the Diocese terminates on your Normal Retirement Date, which is the *later* of your 70th birthday or your completion of 15 years of Service. A participant meeting the requirements for a Normal Pension will receive a monthly amount equal to \$1,661<sup>1</sup>. Your Normal Pension commences on the first day of the month coinciding with or next following the date of your termination of employment and continues for your lifetime. However, if your employment with the Diocese does not terminate before your 75th birthday, your Normal Pension will commence on the first day of the month coinciding with or next following your 75th birthday.

*Example 1:* Your employment with the Diocese terminates on your 70th birthday after completing 25 years of Service. Your Normal Pension will commence as of the first day of the month coinciding with or next following your termination of employment in the monthly amount of \$1,661.

### **Late Pension**

You are eligible for a Late Pension if your employment with the Diocese terminates after your Normal Retirement Date. A participant meeting the requirements for a Late

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<sup>1</sup> The \$1,661 monthly rate shown in this summary is the rate in effect for participants who terminate employment on or after July 1, 2013. That rate will be increased by 1.5% every subsequent January 1 for participants who are and continue to be ordained priests in good standing, but not for any Deferred Vested Pension that commenced prior to July 1, 2013. Refer to the "Schedule of Benefits" in this summary.

Pension will receive a monthly amount equal to \$1,661 increased by 1/3 of 1% for each month (which is 4% for each full year) by which the commencement date of the Late Pension follows the date his Normal Pension would have commenced. Your Late Pension commences on the first day of the month coinciding with or next following the date of your termination of employment and continues for your lifetime. However, if your employment with the Diocese does not terminate before your 75th birthday, your Late Pension will commence on the first day of the month coinciding with or next following your 75th birthday.

*Example 2:* Your employment with the Diocese terminates on your 72nd birthday after completing 25 years of Service. Your Late Pension will commence as of the first day of the month coinciding with or next following your termination of employment. Since your Late Pension commences 24 months after your Normal Pension would have commenced, the monthly amount of your Late Pension will be \$1,794, which is the \$1,661 monthly rate of a Normal Pension increased by 8% (i.e., 1/3 of 1% per month for 24 months).

*Example 3:* Your employment with the Diocese continues beyond your 75th birthday after completing 28 years of Service. Your Late Pension will commence as of the first day of the month coinciding with or next following your 75th birthday. Since your Late Pension commences 60 months after your Normal Pension would have commenced, the monthly amount of your Late Pension will be \$1,993, which is the \$1,661 monthly rate of a Normal Pension increased by 20% (i.e., 1/3 of 1% per month for 60 months). In addition, your Late Pension will be adjusted annually as long as your full-time employment continues. However, any increase in your Late Pension resulting from continued full-time

employment will be reduced actuarially (but not below zero) by the pension payments you received previously.

### **Special Early Pension**

You are eligible for a Special Early Pension if your employment with the Diocese terminates before your 70th birthday but on or after your Special Early Retirement Date, which is the *later* of your 65th birthday or your completion of 15 years of Service. A participant meeting the requirements for a Special Early Pension will receive a monthly amount equal to \$1,661 reduced by 1/3 of 1% for each month (which is 4% for each full year) by which the commencement date of the Special Early Pension precedes the date his Normal Pension would have commenced. Your Special Early Pension commences on the first day of the month coinciding with or next following the date of your termination of employment and continues for your lifetime.

**Example 4:** Your employment with the Diocese terminates on your 68th birthday after completing 25 years of Service. Your Special Early Pension will commence as of the first day of the month coinciding with or next following your termination of employment. Since your Special Early Pension commences 24 months before your Normal Pension would have commenced, the monthly amount of your Special Early Pension will be \$1,528, which is the \$1,661 monthly rate of a Normal Pension reduced by 8% (i.e., 1/3 of 1% per month for 24 months).

### **Early Pension**

You are eligible for an Early Pension if your employment with the Diocese terminates before your Special Early Retirement Date but on or after your Early Retirement Date, which is the later of your 60th birthday or your completion of 10 years of Service. Your Early Pension commences on the first day of the month coinciding with or next following the date

that would have been your Special Early Retirement Date and continues for your lifetime. However, you may request that your Early Pension commence on the first day of any earlier month, provided that your request is received by the Retirement Committee at least 30 days before your first pension payment is due.

If your Early Pension does not commence before your Special Early Retirement Date, the monthly amount of your Early Pension will be \$1,329<sup>2</sup> multiplied by the ratio that the actual number of your years of Service at the date of your termination of employment bears to the number of years of Service you would have accumulated if your employment had continued uninterrupted until your Special Early Retirement Date. However, if your Early Pension commences before your Special Early Retirement Date, the monthly amount of your Early Pension will be the monthly amount your Early Pension would have been if it had not commenced early, but then reduced by 1/3 of 1% (which is 4% for each full year) by which the commencement date of your Early Pension precedes the first day of the month coinciding with or next following your Special Early Retirement Date.

**Example 5:** Your employment with the Diocese terminates on your 65th birthday after completing 12 years of Service. Your Early Pension may commence on the first day of the month coinciding with or next following your 68th birthday, which would have been your Special Early Retirement Date, or on the first of any earlier month you request.

If your Early Pension does not commence before your Special Early Retirement Date, the monthly amount will be \$1,063, which is \$1,329

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<sup>2</sup> The \$1,329 monthly rate shown in this summary is based on 80% of the \$1,661 monthly rate in effect for a Normal Pension on July 1, 2013. The \$1,329 rate will change with changes in the rate for a Normal Pension. Please refer to the very end of this summary for any changes in this monthly rate.

multiplied by the ratio that 12 (your actual number of years of Service at your termination of employment) bears to 15 (the number of years of Service you would have had if your employment had continued uninterrupted until your Special Early Retirement Date). That is, your Deferred Vested Pension will be calculated as follows:

$$\$1,329 \times 12/15 = \$1,063.$$

On the other hand, if you request that your Early Pension commence before your Special Early Retirement Date, the \$1,063 monthly amount is reduced by 1/3 of 1% per month for each month that the commencement date of your Early Pension precedes the first day of the month coinciding with or next following your Special Early Retirement Date. Thus, the reduction will be 4% if your Early Pension commences one full year early, 8% if your Early Pension commences two full years early, and so on.

### **Deferred Vested Pension**

You are eligible for a Deferred Vested Pension if your employment with the Diocese terminates on or after the completion of seven or more years of Service but before your Early Retirement Date. Your Deferred Vested Pension commences on the first day of the month coinciding with or next following the date that would have been your Special Early Retirement Date and continues for your lifetime. However, you may request that your Deferred Vested Pension commence on the first day of any earlier month, provided that your request is received by the Retirement Committee at least 30 days before your first pension payment is due.

If your Deferred Vested Pension does not commence before your Special Early Retirement Date, the monthly amount of your Deferred Vested Pension will be \$1,329 multiplied by the ratio that the actual number of your years of Service at the date of your

termination of employment bears to the number of years of Service you would have accumulated if your employment had continued uninterrupted until your Special Early Retirement Date. However, if your Deferred Vested Pension commences before your Special Early Retirement Date, the monthly amount of your Deferred Vested Pension will be the monthly amount your Deferred Vested Pension would have been if it had not commenced early, but then reduced by 1/3 of 1% (which is 4% for each full year) by which the commencement date of your Deferred Vested Pension precedes the first day of the month coinciding with or next following your Special Early Retirement Date.

***Example 6:*** Your employment with the Diocese terminates on your 50th birthday after completing 10 years of Service. Your Deferred Vested Pension may commence on the first day of the month coinciding with or next following your 65th birthday, which would have been your Special Early Retirement Date, or on the first of any earlier month you request.

If your Deferred Vested Pension does not commence before your Special Early Retirement Date, the monthly amount will be \$532, which is \$1,329 multiplied by the ratio that 10 (your actual number of years of Service at your termination of employment) bears to 25 (the number of years of Service you would have had if your employment had continued uninterrupted until your Special Early Retirement Date). That is, your Deferred Vested Pension will be calculated as follows:

$$\$1,329 \times 10/25 = \$532.$$

On the other hand, if you request that your Deferred Vested Pension commence before your Special Early Retirement Date, the \$532 monthly amount is reduced by 1/3 of 1% per month for each month that the commencement date of your Deferred

Vested Pension precedes the first day of the month coinciding with or next following your Special Early Retirement Date. Thus, the reduction will be 4% if your Deferred Vested Pension commences one full year early, 8% if your Deferred Vested Pension commences two full years early, and so on.

### **Disability Pension**

You are eligible for a Disability Pension if your employment with the Diocese terminates by reason of total and permanent disability before your 70th birthday, regardless of your years of Service. A participant's disability will be considered total and permanent under the Priests' Pension Plan if, on the basis of a medical examination by a doctor or clinic appointed by the Retirement Committee, the Retirement Committee finds that the participant has a physical or mental condition that totally and presumably permanently prevents him from engaging in any substantial gainful employment with the Diocese.

Your Disability Pension will be in the monthly amount of \$1,661, commencing as of the first day of the month coinciding with or next following the date of your termination of employment by reason of disability. The Disability Pension will continue for your lifetime; however, your Disability Pension will cease if your disability ends before your 70th birthday, if you return to full-time employment with the Diocese on or after your 70th birthday, or if you refuse to undergo any medical examination requested by the Committee.

### **Reemployment of Retired Participants**

If you are a retired participant receiving pension benefits and you are reemployed by the Diocese on a full-time basis, no pension payment will be made to you during any period of reemployment while you are under age 75. Upon your subsequent termination of employment, you will be entitled to receive a pension based on your Service prior to your

previous retirement, as well as your Service during your period of reemployment. If you received any pension payments prior to your subsequent retirement, the pension payable upon your subsequent retirement will be reduced by the actuarial equivalent of the pension payments (other than Disability Pension payments) you received previously.

### **Death Benefits for Married Participants**

Benefits are provided under the Priests' Pension Plan upon your death only if you die while married in accordance with the rules of the Catholic Church. However, no death benefits are available to your surviving wife if you become married in accordance with the rules of the Catholic Church only after your employment with the Diocese terminates.

### **Death During Employment**

If you die married while employed by the Diocese with at least seven years of Service, your surviving wife will be paid a monthly death benefit commencing on the earliest date that any pension would have commenced in payment to you if you had simply terminated employment with the Diocese on the date of your death. The monthly amount of the death benefit will be 50% of the monthly amount of the pension that would have been payable to you. That pension will depend on your age and years of Service at the time of your death. Thus, the amount of your surviving wife's death benefit will depend on those same factors. The death benefit will continue for your surviving wife's lifetime.

*Example 7:* You die married while employed by the Diocese at a time when, if you had simply terminated employment, your age and years of Service are such that you would have been eligible for a pension with a monthly amount of \$1,329. Your surviving wife will receive for her lifetime a death benefit in the monthly amount of \$665 (i.e., 50% of \$1,329) commencing when your pension would have commenced.

## **Death after Termination of Employment**

If you die married while receiving a pension under the Priests' Pension Plan (other than a Disability Pension), your surviving wife will be paid a monthly death benefit commencing on the first day of the month following your death. (Special rules in the Priests' Pension Plan apply if you die married while receiving a Disability Pension.) The monthly amount of the death benefit will be 50% of the monthly amount of the pension that had been payable to you. The death benefit will continue for your surviving wife's lifetime.

**Example 8:** You die married while receiving a Normal Pension in the monthly amount of \$1,661. Your surviving wife thereafter will receive for her lifetime a death benefit in the monthly amount of \$831 (i.e., 50% of \$1,661).

If you die married before commencement of any pension under the Priests' Pension Plan but after termination of your employment with the Diocese with at least seven years of Service, your surviving wife will be paid a monthly death benefit commencing on the earliest date thereafter that a pension under the Priests' Pension Plan could have commenced in payment to you. The monthly amount of the death benefit will be 50% of the monthly amount of the pension that would have been paid to you. The death benefit will continue for your surviving wife's lifetime.

**Example 9:** You die married before your 60th birthday but after termination of your employment with the Diocese following the completion of 10 years of Service, and your Deferred Vested Pension could have commenced following your 60th birthday in the monthly amount of \$429. ( $\$1,329 \times 10/31 = \$429$ ) Your surviving wife will receive for her lifetime a death benefit in the monthly amount of \$215 (i.e., 50% of \$429) commencing when your

Deferred Vested Pension could have commenced.

## **Trust Fund and Investments**

All contributions made to the Priests' Pension Plan are held in trust and invested by the plan trustee under a trust agreement between the Diocese and the trustee establishing a trust known as the Dioceses of Texas Priests' Pension Trust.

## **Plan Amendment or Termination**

The Priests' Pension Plan may be amended or terminated by the Bishop of the Diocese at any time. However, if the Priests' Pension Plan is terminated for any reason, the pension benefits of all participants affected thereby will become 100% vested.

## **Taxation of Benefits**

The Priests' Pension Plan is designed to be qualified under section 401(a) of the Internal Revenue Code. The pension benefits will be subject to federal income taxation only upon payment to you and your surviving wife, if any.

**CATHOLIC DIOCESE OF FORT WORTH  
PRIESTS' PENSION PLAN**

**SCHEDULE OF BENEFITS**

For benefit payments starting on July 1, 2013, the Normal Pension benefit amount was increased to \$1,661 per month (a 15% increase over the prior amount). Starting on January 1, 2014, the benefit amount will increase every January 1 as follows:

<b>Payment Date after January 1,</b>	<b>Monthly Benefit Amount</b>	<b>Payment Date after January 1,</b>	<b>Monthly Benefit Amount</b>
2014	\$1,686	2036	\$2,352
2015	\$1,712	2037	\$2,388
2016	\$1,738	2038	\$2,424
2017	\$1,765	2039	\$2,461
2018	\$1,792	2040	\$2,498
2019	\$1,819	2041	\$2,536
2020	\$1,847	2042	\$2,575
2021	\$1,875	2043	\$2,614
2022	\$1,904	2044	\$2,654
2023	\$1,933	2045	\$2,694
2024	\$1,962	2046	\$2,735
2025	\$1,992	2047	\$2,777
2026	\$2,022	2048	\$2,819
2027	\$2,053	2049	\$2,862
2028	\$2,084	2050	\$2,905
2029	\$2,116	2051	\$2,949
2030	\$2,148	2052	\$2,994
2031	\$2,181	2053	\$3,039
2032	\$2,214	2054	\$3,085
2033	\$2,248	2055	\$3,132
2034	\$2,282	2056	\$3,179
2035	\$2,317	2057	\$3,227