

Appendix 9: Pension Plan for Priests of the Diocese of Bismarck

The following description of the Priest Benefit Association Pension Plan (**Plan**) provides only general information. Participants should refer to the **Plan** document for a more complete description of the Plan's provisions.

Sources:

*July 1, 2014: Restatement of the Pension Plan for Priests of the Diocese of Bismarck.

* 2004: Restatement of the Diocese of Bismarck Priests' Pension Trust Agreement.

General

The **Plan** provides for the administration and distribution of contributions made by the Diocese and other Contributors for purposes of providing retirement benefits for eligible priests.

The **Plan** is an amended **Plan** in restated form, the original **Plan** being established on July 1, 1976, and known as the Priests' Benefit Association of the Diocese of Bismarck. The **Plan** is a defined benefit pension plan covering all priests ordained or incardinated into the Diocese of Bismarck and employed by the Diocese of Bismarck. The **Plan** shall be construed and its provisions enforced and administered in accordance with the laws of the State of North Dakota.

Administration of the Plan

The **Plan** shall be administered by the Board of Trustees. The Board of Trustees shall consist of six (6) incardinated priests of the Diocese, elected by the membership. The membership shall consist of all priests who qualify as Participants in the Pension Plan for Priests of the Diocese of Bismarck. The Ordinary of the Diocese shall be an ex-officio member of the Board of Trustees.

Contributions

The Diocese, parish, school, institution, or agency under the jurisdiction of the Diocese which employs a Participant shall be required to make the contributions for the benefit of such Participants and in such case shall pay such contributions into the Pension Fund with respect to each **Plan** year. The amount of such contribution for each **Plan** year shall be such as may be required to operate the **Plan** on an actuarially sound basis.

Pension Benefits

Employees with 40 or more years of service are entitled to pension benefits beginning at normal retirement age (70). In the event the participant shall have less than forty (40) years of total service, the monthly benefit shall be the pension benefit multiplied by a fraction whose numerator is the actual number of years of service and whose denominator is 40. The **Plan** permits early retirement at ages 65-69 with consent of the Ordinary. The Ordinary is the Bishop of the Diocese of Bismarck, or the person who, in his stead, exercises ordinary jurisdiction over the spiritual and temporal affairs of the Diocese, in accordance with the legislation of the Roman Catholic Church. If employees terminate before rendering 10 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to the Diocese of Bismarck's contributions. A participant who continues employment beyond his normal retirement date, with the consent of the Ordinary, shall receive his monthly pension benefit beginning on his actual retirement, increased 0.5% for each month the participant continued employment beyond his normal retirement date, provided the participant has 40 years of service. The pension benefit shall be payable in monthly installments. Payments cease upon death. A priest who has terminated service prior to the Effective Date of July 1, 1998, shall not be a Participant in the **Plan**.

Disability Benefits

Active participants who become totally disabled receive annual disability benefits that are equal to the normal retirement benefits they have accumulated as of the time they become disabled, plus \$150 per month. In no event shall a participant's pension retirement benefit be less than 50% of the current pension benefit upon normal retirement plus \$150 per month. Disability benefits are paid until normal retirement age at which time disabled participants begin receiving normal retirement benefits computed as though they had been employed to normal retirement age.

Reservation of Rights of the Diocese

Although it is intended that the **Plan** shall be continued, the **Plan** is entirely voluntary on the part of the Diocese and the continuance of the **Plan** and the payment of contributions hereunder are not to be regarded as a contractual obligation of the diocese.

Right to Terminate

The Diocese may, at any time, terminate the **Plan**, but only after consultation with the Board of Trustees and after consideration of any recommendations made by the Board of Trustees in regard thereto. The **Plan** shall be deemed to have been terminated upon complete discontinuance of contributions by the Contributors.