

THE ARCHDIOCESE OF SAN FRANCISCO



PRIESTS RETIREMENT PLAN

**A PLAN BOOKLET WITH IMPORTANT
INFORMATION ABOUT YOUR RETIREMENT BENEFITS**

EFFECTIVE JULY 1, 2023

This booklet summarizes The Archdiocese of San Francisco Priests Retirement Plan (“the Plan”) in effect as of the date shown on the front cover page. The booklet also describes a potential benefit payable from the Archdiocese of San Francisco Priests Supplemental Retirement Plan (“Supplemental Plan”). If you have any prior written material describing all or part of the plan in your possession, it is obsolete. This booklet is designed to give you an easy-to-read overview of the plan’s provisions, but it is not the official, legal plan document. A copy of the official plan document is on file with the Vicar for Clergy’s office. If there is any conflict between this summary and the official plan document, the plan document will prevail.

TABLE OF CONTENTS

LOOKING AHEAD TO RETIREMENT	1
HOW THE PLAN WORKS	2
ELIGIBILITY PROVISIONS	2
Eligible Priests	2
Ineligible Priests	2
Eligibility Requirement	3
Status Changes	3
Questions	3
SERVICE	4
Time Counted As Service	4
Time Not Counted As Service For Any Purpose	4
Termination of Service	5
Service Elsewhere	5
Break-In-Service	5
Military Service Subject to Reemployment Rights Under Federal Law	6
Service While On Probation	6
Reassignment/Reinstatement	6
BENEFIT STARTING DATES	7
Normal Retirement	7
Early Retirement	7
Postponed Retirement	7
Age 70 In-Service Benefit	7
Vested Deferred Benefit	7
PENSION BENEFITS	8
Accrued Benefit	8
Normal Retirement Benefit at Age 70	8
Automatic Cost-of-Living Adjustment	8
Early Retirement Benefit	9
Postponed Retirement Benefit	9
Supplemental Plan Housing Benefit	10
Age 70 In-Service Benefit	10
Disability	10
Disability Defined	10
Payment of a Disability Pension	10
Credit for Service While Disabled	11
Termination of Service and Vesting	11
Vested Deferred Benefit Calculation	11
Normal Form of Payment Upon Retirement	11
Time of Payment	12
Small Pensions	12
Death Benefit	12
APPLYING FOR BENEFITS	13
Exceptions to Application Requirement	13
Housing/Parsonage Allowance	13
OTHER THINGS YOU SHOULD KNOW	14
Plan Name	14
Plan Year	14

Plan Sponsor/Plan Administrator.....	14
Vicar for Clergy	14
Scope of Plan.....	14
Reassignment After Pension Payments Start	14
Misstatement/Data Errors	15
Individual Benefit Statements	15
Legal Incapacity.....	15
Abandoned or Unclaimed Benefits	15
Assignment or Attachment Prohibited	15
Rights Not Implied.....	16
Archdiocesan Policy and Procedure.....	16
Plan Amendment, Merger, Consolidation, and Termination.....	16
Type of Plan.....	16
Financing the Plan	17
Taxability of Trust Assets.....	17
Change of Address	17
About Social Security.....	17
PLAN DIRECTORY	18
Official Plan Names	18
Plan Effective Date	18
Type of Plan.....	18
Plan Year	18
Plan Sponsor and Plan Administrator.....	18
Plan Administrator Mailing Address.....	18
Plan Trustee.....	18
BENEFIT CALCULATION EXAMPLES	20
Normal Retirement.....	20
Early Retirement	20
Postponed Retirement.....	20
Vested Deferred Benefit	20
TOPICAL INDEX.....	21

LOOKING AHEAD TO RETIREMENT

When you retire, you will need a regular income in place of your direct compensation and living expense allowance. Your sources of retirement income will include this plan, social security and your personal retirement savings.

- The plan provides a **normal pension benefit for life**, starting with your retirement at age 70, or later.
- The plan provides an **early retirement benefit**, starting at age 65 with permission from the Archbishop --- provided you have at least 10 years of service.
- If you don't live in Archdiocesan housing during your retirement, the Supplemental Plan provides an additional monthly **housing benefit**.
- If you continue your ministry past your 70th birthday and you have accrued service of at least 30 years, the plan provides an **in-service benefit** until your retirement date.
- The plan provides a pension at age 70 for priests who become permanently **disabled** while serving in an Archdiocesan ministry appointment.
- If you leave Archdiocesan service after you have completed 10 or more years of service but before you reach age 65, the plan provides a **vested deferred pension**, payable at age 70.
- Because this plan is an Internal Revenue Service "qualified plan," assets are held in trust for the sole purpose of paying benefits, but you pay no taxes until you actually receive your plan benefits.
- Your benefits under this plan are completely separate from and in addition to any benefits to which you may become entitled under the Social Security Act.

The plan can be very important to you in the future. So regardless of how far away retirement may seem to be now, you are urged to read this booklet carefully. If you have any questions – now or in the future – contact the Vicar for Clergy's office at the Chancery at 415-614-5611.

HOW THE PLAN WORKS

Annual contributions, based on an independent actuary's calculations, are made to a trust fund that is in the custody of an independent trustee. The purpose of the trust fund is to provide benefits for all priests covered by the plan. Priests make no personal contributions (though priests may choose to make charitable contributions, either during their lifetimes, or as stipulated in their wills).

When you retire from your Archdiocesan ministry, you will receive a monthly income for the rest of your life based on your total Archdiocesan service – not to exceed the limit shown on page 19. If you retire before the plan's age 70 normal retirement age (you can retire as early as age 65), your retirement benefit will be reduced to account for the longer expected payment period.

If you terminate Archdiocesan service before age 65 but after you have completed at least 10 years of service, you will be eligible for a retirement benefit payable when you reach age 70. This is called a ***vested deferred pension***.

ELIGIBILITY PROVISIONS

Eligible Priests

In general, all priests, regardless of age, are eligible if they meet the following conditions:

Condition 1: The priest is ordained for the Archdiocese, or incardinated in the Archdiocese.

Condition 2: The priest is appointed, in writing, by the Archbishop, as a full-time minister, educator or administrator of the Archdiocese.

Ineligible Priests

Priests who are on probation. However, service will be credited from the priest's appointment date once the priest becomes incardinated.

- (1) Priests incardinated in another arch/diocese.
- (2) Priests belonging to a religious order or community who are serving in religious order parishes, institutional chaplaincies and educational fields.
- (3) Priests who are engaged in Service Elsewhere as defined on page 5.
- (4) Priests who do not have a written ministry assignment on or after July 1, 2002.

Eligibility Requirement

If you were in an eligible classification on the original effective date of this plan, July 1, 2002, your coverage begins on that date. Otherwise, your coverage will begin automatically on the first day of the month in which you are ordained, or once incardinated, on the day on which your Archdiocesan ministry assignment began. If you are ineligible and become eligible, you will be covered under the Plan on the first day of the month after the month in which your status changed.

Status Changes

If your status changes from *eligible to ineligible*, your benefit accruals will stop at the end of the calendar month in which your status changes.

However, your vested benefit earned to date will be protected, and if your service with the Archdiocese is ongoing, you will continue to be credited with service for vesting purposes. At retirement, you will be entitled only to the vested benefit you have earned for service while you were classified as an eligible priest.

If your status changes from *ineligible to eligible* before retirement, you will begin to earn more benefit accruals; however, the interval while you were ineligible will not be counted for benefit accrual purposes – unless you were on probation.

Questions

If you are in doubt about your plan status, contact the Vicar for Clergy's office at 415-614-5611. Following current policy, you will be furnished an individual pension benefit statement annually, setting forth your eligibility and your accrued and vested benefit status.

SERVICE

Because many aspects of your plan coverage are based upon the length and continuity of your service, it is important for you to know how it is computed.

Service is computed in calendar months and years; partial months count as whole months.

Service means the period beginning on the first day of the month of your Archdiocesan appointment (as documented in writing); it ends on the last day of the month in which your Archdiocesan ministry assignment ends for any reason.

Time Counted As Service

Service includes time you are absent for vacations, holidays, sickness or accident (whether or not work related) and *authorized* leaves of absence.

If you incur a *permanent disability* as defined by Social Security, or a long-term disability plan sponsored by the Archdiocese, while you are accruing benefits under the plan, you will continue to be credited with service for the duration of your disability, up to the service limit shown on page 19 in total, but not past age 70 when your pension starts.

Time Not Counted As Service For Any Purpose

- Any time after your Archdiocesan ministry assignment terminates for any reason, including retirement, is not counted.
- Any period of Service Elsewhere as defined on page 5.

Termination of Service

Termination of Service occurs on the earliest of the following events:

- return to the lay state,
- incardination in another arch/diocese,
- joining a religious order/community,
- voluntary or involuntary severance of your Archdiocesan ministry assignment,
- acceptance of Service Elsewhere,
- death,
- retirement under the plan,
- failure to return after an illness, or accident, after being pronounced fit by a doctor,
- failure to return on time after serving in the Archdiocese for Military Service, in which event your termination date will be retroactive to the start date of your military service,
- failure to return after an authorized leave of absence expires, or
- failure to return within 60 days of cessation of a disability under Social Security or a group long-term disability plan sponsored by the Archdiocese.

Service Elsewhere

Service Elsewhere means priestly ministry or other employment in any other arch/diocese, religious community, or religious order, or other religious entity of the Roman Catholic Church, or by any lay employer, to which you do not have an appointment in writing by the Archbishop.

Break-In-Service

In general, you incur a break-in-service – that is, you cease to be covered under the plan and stop accruing benefits – when your Archdiocesan ministry assignment terminates for any reason listed above under *Termination of Service*.

Military Service Subject to Reemployment Rights Under Federal Law

If you are absent for military service which is subject to reemployment rights under federal law, your absence will not be considered a Termination of Service or Break-in-Service, provided you are re-appointed to an Archdiocesan ministry assignment upon termination of your military service within the time required by federal law. In that case, up to five years of your military service will be credited in this plan, if you were accruing service under this plan immediately before your military service.

Service While On Probation

If you are incardinated in the Archdiocese immediately at the end of your probation period, your probation period will be credited as service under the plan. However, if you are not incardinated immediately after your probation period, your probation will not be credited as service.

Reassignment/Reinstatement

If you are reinstated to a ministry assignment after a break-in-service, you will begin earning benefit accruals and vesting service on the first day of the month in which you are reinstated in good standing.

The plan has no break-in-service rule that would cause you to lose service that had been credited to you before the date of a break-in-service.

BENEFIT STARTING DATES

Normal Retirement

A normal pension is payable beginning on the first day of the month in which you reach age 70, provided you retire from your Archdiocesan ministry assignment.

Early Retirement

An early retirement benefit is payable on the first day of the calendar month in which a priest turns age 65, or the first day of any month thereafter in which he elects to retire from full-time Archdiocesan service before age 70, provided (1) the Archbishop agrees in writing, and (2) the priest has completed ten or more years of service.

Postponed Retirement

A postponed pension is payable beginning on the first day of any month in which you retire from full-time Archdiocesan service after age 70.

Age 70 In-Service Benefit

Your age 70 in-service benefit will commence on the first of the month following the month in which you have attained age 70 if you have accrued service equal to or in excess of 30 years.

Vested Deferred Benefit

If your Archdiocesan service terminates after you have completed at least 10 years of service, but before you reach age 70, a *vested deferred benefit* will be paid to you when you reach age 70.

PENSION BENEFITS

Accrued Benefit

The term accrued benefit means the pension you have earned to date, payable monthly starting at age 70. If you retire later than age 70, your accrued benefit will increase for each additional year of service, up to the maximum limit shown on page 19. If you retire early, your accrued benefit may be lower than it would be if you worked until age 70, and it will also be actuarially reduced in expectation of the longer time benefits will be paid to you.

Normal Retirement Benefit at Age 70

Your normal retirement pension benefit is calculated by multiplying the current benefit formula amount in effect when your ministry ends times your years of service – not to exceed the maximum limit shown on page 19. Partial years of service are prorated monthly.

Please consult the Accrued Benefit Table on page 19 for monthly benefit amount examples based on the current benefit formula in effect and based on various years of service, payable starting at age 70. An additional individual example is shown on page 20.

Automatic Cost-of-Living Adjustment

Each July 1, the Accrued Benefit Table will be increased by the lesser of:

- (a) 3.5% or
- (b) the percentage increase in the nationwide Consumer Price Index for all Urban Consumers (CPI-U), unadjusted, as published by the U.S. Department of Labor, Bureau of Labor Statistics for the month of January, comparing the current year with the preceding year.

The cost-of-living increase does not apply to priests whose Archdiocesan service ends before the earliest date that they could retire, at 65. A vested terminated priest's benefit is based on the benefit rate in effect on his termination date with no future automatic cost-of-living increases.

The Archbishop may change or discontinue future cost-of-living increases at any time.

The Accrued Benefit Table will become obsolete with each cost-of-living adjustment. A revised Accrued Benefit Table will be published annually. The Vicar for Clergy's office has copies of the most recent Accrued Benefit Table.

Early Retirement Benefit

In the event you need to request retirement prior to age 70, the plan provides for early retirement on or after you reach age 65 with 10 or more years of service.

Calculating your monthly pension in the case of early retirement involves two steps:

First, benefits are calculated based on your years and months of service up to your early retirement date – not to exceed the maximum limit shown on page 19, as described under Normal Retirement Benefit at Age 70, above, and in the Accrued Benefit Table in the back of this booklet.

Second, payments will be reduced to take into account the longer period of time you are expected to receive benefits. The following table shows the yearly reduction in benefits for early retirement at various ages:

Early Retirement Age Ranges*	Your Accrued Benefit Will Be Reduced by
Age 65	25%
Age 65, 1 month to Age 66, 0 months	20%
Age 66, 1 month to Age 67, 0 months	15%
Age 67, 1 month to Age 68, 0 months	10%
Age 68, 1 month to Age 69, 0 months	5%
Age 69, 1 month to Age 70, 0 months	0%

***Age calculated to years and completed months.**

If you retire early and postpone the commencement of your benefits to a later date, the reduction just described will be applied by using the date your benefits start, not the date you retired.

An early retirement example is shown on page 20.

Postponed Retirement Benefit

If you begin your pension at age 70 or later, the date you retire after age 70 is called your **postponed retirement date**.

If you continue in a full-time Archdiocesan ministry assignment past age 70, and you have not completed the maximum limit shown on page 19, you will continue to accrue benefits, but only until you reach the maximum limit shown on page 19.

A postponed retirement example is shown on page 20.

Supplemental Plan Housing Benefit

If you do not live in Archdiocesan housing during your retirement, you will receive an additional non-taxable monthly benefit from the Supplemental Plan equal to the out-of-rectory housing benefit shown on page 19. The non-taxable treatment of the benefit is subject to IRS rules.

Age 70 In-Service Benefit

If you continue your ministry past the plan's normal retirement age of 70 and you have accrued service equal to or in excess of 30 years, you will be eligible to receive an in-service benefit equal to the amount shown on page 19. The monthly in-service benefit will be payable until you fully retire and start your lifetime retirement benefit.

Disability

If you become disabled while covered under the plan, and remain disabled until age 70, you will receive a lifetime pension beginning at age 70. *Your monthly pension amount will be based on the service you would have accumulated if your Archdiocesan ministry had continued uninterrupted until age 70 – but not to exceed the maximum limit shown on page 19.* If your disability ends earlier than age 70 and you do not return to an Archdiocesan ministry assignment, you will be entitled to a vested deferred pension payable at age 70, based on your service up to the date your disability ended.

Disability Defined

To obtain credit for service while disabled, you must provide evidence of continuous receipt of Social Security benefits, or evidence that you are receiving disability benefits under a formal long-term disability plan sponsored by the Archdiocese. Your disability must have commenced while you were accruing benefits under the plan. If your social security or Archdiocesan plan disability benefits are discontinued before age 65, you are considered recovered from disability; in that case, you must return to an Archdiocesan ministry assignment within 60 days thereafter to avoid a termination of service for purposes of the plan.

Payment of a Disability Pension

Disability pension begin at age 70 – your normal retirement date. Disability pension benefits are not payable while you are collecting Social Security disability benefits or Archdiocesan sponsored long-term disability plan benefits.

Credit for Service While Disabled

If you become permanently disabled as defined above, you will be credited with service for the duration of your disability. Your pension benefit will be calculated and paid as if you had not been disabled, counting your disability as service under the plan – not to exceed the maximum limit shown on page 19. Crediting of service will cease, and payment of your pension will begin, when you reach age 70.

Termination of Service and Vesting

If your Archdiocesan service terminates before you reach retirement age (early or normal retirement described on page 7), your entitlement to a future pension benefit depends on your vested status on your termination of service date.

Vesting means your nonforfeitable right to your accrued benefit on your termination date.

The accrued benefit in which you are vested is referred to as a **vested deferred benefit**, because it is payable in the future, at your normal retirement date --- age 70.

The amount of the vested deferred benefit to which you will be entitled at age 70 is equal to your accrued benefit at termination of service multiplied by the appropriate percentage from the following vesting schedule:

VESTING SCHEDULE

Years of Service	Percent Vested
Less than 10	0%
10 or more	100%

You will always be 100% vested if you reach your normal retirement date while actively covered under the plan, whether or not you have completed 10 years of service.

Vested Deferred Benefit Calculation

Your **vested deferred pension benefit** is based on the benefit formula in effect when your ministry terminates. Please consult the Accrued Benefit Table on page 19 for monthly benefit amount examples based on various years of service, payable starting at age 70. An additional individual example is shown on page 20.

Normal Form of Payment Upon Retirement

Benefits are payable monthly for your lifetime, commencing on the first day of the month in which you retire (or the month you reach age 70 in the case of a vested deferred benefit), and ending with the payment due on the first day of month in which your death occurs. There are no optional forms of payment, except small pensions, described below.

Time of Payment

Upon retirement, your pension will be paid to you monthly, beginning on the first day of the month in which you retire. For example, if your pension starts at age 70, the first payment will be made on the first day of the month in which your 70th birthday occurs.

Small Pensions

If the cash equivalent of your accrued benefit is \$15,000 or less, your monthly benefit will be converted to a single lump sum, and you will be paid in cash instead. The cash equivalent is an amount equal in value to your accrued benefit, based on the factors and interest rates defined in the plan document.

Death Benefit

There are no death or survivor benefits under the plan. A priest is paid his pensions at the start of each month, and the executor is not required to return any portion of that month's pension following the priest's death. However, any payments inadvertently paid to the priest beyond the month of death will need to be returned to the plan.

APPLYING FOR BENEFITS

You will be asked to apply for your benefits on forms supplied by or acceptable to the Plan Administrator or his delegate. You will also be asked to verify all the data upon which your pension will be calculated, including your age and Archdiocesan service status. And, you are required by federal law (and the laws of some states) to make an election as to whether or not you want income taxes withheld from your pension payments. If you fail to make an election, income taxes will be automatically withheld.

Application and confidential data verification forms, or any other forms needed to collect your benefits, are available from the Vicar for Clergy's office. A representative of the Plan will assist you in filling out the forms.

Return the completed application forms to the Plan Administrator at least 90 days before your pension payments are scheduled to begin. It is your responsibility to furnish any additional information the Plan Administrator may require, and to make sure the plan's trustee has your correct address so your pension checks will reach you.

Ordinarily, your benefit application will be processed within 45 days, but special situations may take longer. Therefore, if you fail to send in your application at least 90 days before you want payments to begin, your payments may be delayed.

Incomplete or improperly completed applications will be returned, and you will be given any explanation or assistance necessary to perfect the form.

If you are not eligible for a benefit, the Plan Administrator will tell you why in writing, refer you to the applicable provisions of the official plan document or other relevant records, and inform you when and where you may see them. You will also be told how you can appeal the decision.

Exceptions to Application Requirement

Benefits may be paid without an application if the single lump sum value of your benefit payment is \$15,000 or less or if the Plan Administrator determines that payments should commence to avoid adverse consequences to the plan, owing to Internal Revenue Service requirements for trust funds of this type.

Housing/Parsonage Allowance

Your retirement benefits payable from the Priests Retirement Plan are fully taxable. However, the Archdiocese has designated the housing benefit payable from the Supplemental Plan as a non-taxable housing allowance. Therefore, your housing benefit payable from the Supplemental Plan, if any, is non-taxable.

OTHER THINGS YOU SHOULD KNOW

Plan Name

The official name of the plan is ***The Archdiocese of San Francisco Priests Retirement Plan***. For purposes of brevity and variety, it is frequently referred to in this booklet and elsewhere as “the Priests Retirement Plan”, or simply “the Plan”.

The Archdiocese also provides benefits from ***The Archdiocese of San Francisco Priests Supplemental Retirement Plan*** (such as the housing benefit). For purposes of brevity and variety it is referred to as “the Supplemental Plan”.

Plan Year

The plan year is the 12-month period July 1 through June 30.

Plan Sponsor/Plan Administrator

The official Plan Sponsor and Plan Administrator is the Archbishop of San Francisco. Day to day operations of the plan have been delegated to the Vicar for Clergy.

Vicar for Clergy

All questions and requests for information about the plan’s administration and/or operations should be addressed to the Vicar for Clergy’s office at the address shown on page 18.

Scope of Plan

Beginning on the effective date shown on the front page, the plan described in this booklet applies to all priests with full-time Archdiocesan service after the effective date. It does not apply to priests who had a termination of service (as defined on page 5) prior to this effective date.

Reassignment After Pension Payments Start

If you have retired and later are reappointed to a full-time Archdiocesan ministry, your benefit payments will stop. When you again retire, your pension will be recalculated to include the additional years of service you earned after your reappointment date. Any benefit recalculated shall be offset by benefits previously paid and shall not result in a benefit lower than the benefit previously in pay status on your reappointment date. This provision does not apply to the age 70 In-Service benefit that may be payable.

Misstatement/Data Errors

If your age or any other fact related to your application for a benefit is misstated, or if the data upon which your benefit is calculated is found to be erroneous, the Plan Administrator will make an adjustment based on the correct information.

Any overpayment of benefits due to a misstatement or error will be deducted from future payments when possible. Otherwise, the Plan Administrator will look to you to reimburse the plan for the overpayment. Interest may be charged on any amount that is overpaid due to misstatement or error.

In no case, however, will any adjustment reduce your pension below the vested amount to which you are entitled.

Individual Benefit Statements

It is the Plan Administrator's intention to periodically provide individual pension statements which show your estimated accrued benefit to date, your estimated benefit at retirement, your vested percentage, and the personal data upon which your benefit is calculated. You are urged to read your statement carefully and notify the Vicar for Clergy's office of any error, change or omission so your file can be corrected as soon as possible.

Legal Incapacity

If you are entitled to receive benefits under the plan and become legally incapacitated, benefits will be paid to the person or institution that, in the opinion of the Plan Administrator, is providing for your care and maintenance.

Any such payment constitutes a full and complete discharge of the obligation of the plan to pay a pension.

Abandoned or Unclaimed Benefits

If the plan is unable to pay a benefit because your whereabouts are unknown, payment of the benefit will be suspended until you are located.

The Plan Administrator will mail notification of the intended suspension to you at your last known address at least 30 days before the suspension is to take effect. If no response is received within 30 days, the suspension will become effective.

Assignment or Attachment Prohibited

To the extent permitted by law, benefits payable under the plan are not subject to assignment, transfer, other legal encumbrance, or process.

Rights Not Implied

Neither the plan, nor any administrative decision by the Plan Administrator, can be construed to give any priest any right to benefits under the plan, except as specifically provided for in the plan.

Coverage under the plan does not give you the right to be retained in the service of the Archdiocese, nor does it change or affect the terms of your Archdiocesan ministry assignment.

Archdiocesan Policy and Procedure

The descriptions in this digest are for purposes of this plan only. They do not govern any other Archdiocesan administrative, personnel policy, or procedure with respect to any subject.

Plan Amendment, Merger, Consolidation, and Termination

Although the Archdiocese expects and intends to continue the plan indefinitely, the Archdiocese reserves the right to modify, amend, suspend, or terminate the plan at any time. However, no such action can take away your right to the benefits you have earned up to the time the modification or amendment is made.

If the plan should ever be merged or consolidated with another plan, you are assured of a benefit after the merger or consolidation at least equal to the benefit you had before the merger.

If the plan ends, your accrued benefit will become fully vested (nonforfeitable) without regard to whether or not you have completed the 10-year of service vesting requirement.

If the plan ends, the assets of the plan will then be prioritized and subdivided, with pensioners having the highest priority. After all plan obligations have been satisfied, any remaining plan assets will be returned to the Plan Sponsor.

Type of Plan

The plan is technically called a defined benefit plan, which means that it provides a fixed amount of income upon retirement, based on a formula set forth in the legal plan document and summarized in the Accrued Benefit Table in the back of this booklet.

Financing the Plan

The plan is financed solely through contributions (Archdiocesan and donor gifts) and the income the contributions earn from investments. You are not required to pay anything personally and cannot contribute anything. Charitable donations, as noted earlier, are accepted from priests.

The plan's liabilities are funded by reference to annual contributions calculated by an independent actuary. The exact amount of contribution for any plan year is determined by the Archbishop.

All contributions are held in a trust fund by an independent trustee, and the assets of the fund are invested by an independent investment manager, in accordance with the Statement of Investment Policy in effect for the plan.

It is expected that funds in the trust will be enough to provide present and future benefits, but there is no guarantee that the trust fund will always be adequate.

None of the plan's assets can be used for any other purpose than to provide benefits for eligible priests and to pay plan expenses.

Taxability of Trust Assets

Archdiocesan contributions to fund the plan and investment earnings are not taxable as income to a priest until the date on which a benefit is paid to him.

Change of Address

It is each pensioner's responsibility to see that the Vicar for Clergy's office and the trustee have his correct address so that his benefit deposit confirmations and tax reporting forms can reach him.

About Social Security

Social Security benefits are completely separate from and in addition to plan benefits. The amount of a priest's direct wages taxed during the major part of his ministry career is used by the Social Security Administration to figure the amount of his *primary social security benefit*, which is the amount he is entitled to receive under the Social Security Act.

PLAN DIRECTORY

Official Plan Names

The Archdiocese of San Francisco Priests Retirement Plan
The Archdiocese of San Francisco Priests Supplemental Retirement Plan

Plan Effective Date

The Plan was originally effective July 1, 2002. This booklet reflects current plan provisions as of the effective date shown on the front cover.

Type of Plan

Priests Retirement Plan: This plan is a defined benefit plan¹ and is a qualified plan under the Internal Revenue Code.

Priests Supplemental Retirement Plan: This plan is a defined benefit plan¹ and is a non-qualified plan under the Internal Revenue Code.

¹ A defined benefit plan means that plan benefits are determined based on a benefit formula defined in the plan document and do not depend on other factors such as the investment performance of plan assets.

Plan Year

The plan year is July 1st through June 30th.

Plan Sponsor and Plan Administrator

The Roman Catholic Archbishop of San Francisco, a Corporation Sole.

Plan Administrator Mailing Address

Vicar for Clergy
Priest Retirement Plan
The Archdiocese of San Francisco
One Peter Yorke Way
San Francisco, California 94109-6602
Telephone: (415) 614-5611

Plan Trustee

US Bank
Institutional Trust & Custody
60 Livingston Ave
St. Paul, MN 55107
Telephone for Retired Priests: (800) 843-2399

The Archdiocese of San Francisco Priests Retirement Plan
Current Plan Benefits in Effect as of July 1, 2023

1. Age 70 In-Service Benefit Amount: \$400 per month.
2. Out-of-Rectory Housing Benefit: \$400 per month (payable from Supplemental Plan).
3. Benefit Formula Per Year of Service: \$78.23
4. Plan Maximum Service Limit: 35 years
5. Accrued Benefit Table:

<i>Years of Service</i>	<i>Monthly Accrued Benefit</i>	<i>Years of Service</i>	<i>Monthly Accrued Benefit</i>
1	79	19	1,487
2	157	20	1,565
3	235	21	1,643
4	313	22	1,722
5	392	23	1,800
6	470	24	1,878
7	548	25	1,956
8	626	26	2,034
9	705	27	2,113
10	783	28	2,191
11	861	29	2,269
12	939	30	2,347
13	1,017	31	2,426
14	1,096	32	2,504
15	1,174	33	2,582
16	1,252	34	2,660
17	1,330	35	2,739
18	1,409	36 and above	2,739

Please note:

- a. Your monthly benefit is based on the formula shown in Item 3 above (\$78.23), rounded up to whole dollars.
- b. Partial years of service will be prorated on a monthly basis.
- c. A priest obtains a non-forfeitable right to his accrued benefit, payable at age 70, after completing ten years of service.
- d. Benefit examples shown in this Accrued Benefit Table reflect benefits effective for the plan year from July 1, 2023 to June 30, 2024.

BENEFIT CALCULATION EXAMPLES

Normal Retirement

If you retire at your normal retirement age (age 70) with 30 years of service, your lifetime benefit would be \$2,347 per month ($\78.23×30, rounded up to whole dollars).

Early Retirement

If you retire at age 67½ with 20 years of service, your monthly accrued benefit would be \$1,565 per month ($\78.23×20, rounded up to whole dollars), payable starting at age 70. This benefit would then be reduced by 10% (2 years \times 5%) for the 2 full years that your early retirement date precedes your age 70 normal retirement date (fractional years are ignored). The benefit you would receive starting at age 67½ would be \$1,409 per month ($\$1,565 \times 90\%$, rounded up to whole dollars).

Postponed Retirement

If you retire after your normal retirement age you will continue to accrue service and your benefit will increase if your total service is below the 35 year maximum limit. For example if you retire at age 72 with 35 years of service, your lifetime benefit will be \$2,739 per month ($\78.23×35, rounded up to whole dollars). If you retire at age 73 with 36 years of service, your lifetime benefit would also be \$2,739 per month since your plan service is capped at 35 years.

Supplemental Plan Housing Benefit

In addition to the benefits described above, if you do not live in Archdiocesan housing during your retirement, the Supplemental Plan will pay you an additional benefit of \$400 per month. If you live in Archdiocesan housing, the Archdiocese may direct payments from the Supplemental Plan directly to your housing facility.

Age 70 In-Service Benefit

If you turn age 70 in December, 2023 and you have 30 or more years of service, you will receive a monthly benefit of \$400 per month starting January 1, 2024, continuing until you retire and start your Postponed Retirement benefit above. If you had less than 30 years of service at age 70, you would not be eligible for the in-service benefit.

Vested Deferred Benefit

If your ministry terminated on July 31, 2023 with ten years of service, you would be fully vested and your *vested deferred benefit* would be \$783 per month ($\78.23×10, rounded up to whole dollars) payable when you reach age 70. You will not be entitled to receive an increased benefit under any amendment adopted after your termination of service.

On the other hand, if your ministry terminated on July 31, 2023 with five years of service, you would not be vested. Your accrued benefit would be \$392 (or $\$78.23 \times 5$, rounded up to whole dollars), but your *vested deferred benefit* would be zero. You would not be entitled to any pension from the plan.

TOPICAL INDEX
(Alphabetically by Topic)

A		H	
abandoned benefit	15	housing	10, 13, 20
accrued benefit	8		
accrued benefit table	19	I	
amendment	16	incapacity	15
application	13	incomplete application	13
application exceptions	13	individual benefit statements	15
applying for benefits	13	ineligible priests	2
assignment	15		
attachment	15	L	
		legal incapacity	15
B			
benefit examples	20	M	
break-in-service	5, 6	mailing address	18
		merger	16
C		misstatement	15
change of address	17		
completed application	13	N	
cost-of-living adjustment	8	normal form of payment	11
		normal retirement	7, 8, 20
D		normal retirement benefit	8
data errors	15		
data verification	13	P	
death benefit	12	plan administrator	14
defined benefit plan	16	plan name	14, 18
diocesan contributions	17	plan sponsor	18
directory	18	plan termination	16
disability	10	plan trustee	18
disability pension	10	plan year	14, 18
		postponed retirement	7, 9, 20
E		probation	6
early retirement	7, 9, 20		
eligibility provisions	2	Q	
eligibility requirement	3	questions	3, 14
eligible priests	2		
examples	20	R	
		reappointment	14
F		reassignment	6, 14
financing the plan	17	reinstatement	6

retirement plan committee	18	termination of service	5, 11
		time of payment	12
S		trust assets	17
scope of plan	14	trust fund	17
service	4	type of plan	16, 18
service elsewhere	5	U	
small pensions	12	unclaimed benefit	15
social security	17	V	
starting dates	7	vested deferred benefit	7, 11, 20
statements	15	vesting	11
status changes	3	vesting schedule	11
survivor benefit	12		
T			
taxability	17		