

**PRIESTS' RETIREMENT**

1. The diocese provides two retirement programs, a defined benefit plan for diocesan priests and a tax-sheltered annuity for diocesan and religious order priests.
2. The purpose of these programs is to provide retirement and disability benefits to priests who by reason of age, sickness, or incapacity are unable to perform their normal duties and who for such reasons are not receiving their customary salary.

**DIOCESAN RETIREMENT PLAN**

1. The defined benefit retirement plan is administered by a committee of priests appointed by the bishop. The accounts are managed at present by Morgan Stanley. All accounts are kept separate from diocesan accounts and are audited annually.
2. Eligible beneficiaries are diocesan priests assigned to or incardinated in the Diocese of Las Cruces.
3. A qualified beneficiary is one who no longer performs regular full-time duties in the diocese nor receives the customary salary for the performance of such duties.
4. The diocesan pension cannot be collected without a minimum of ten years service in the diocese. The priest has the option to retire at 70. Permission is required before this age.
5. A priest must submit a letter of resignation at the age of seventy five (75).
6. The process for retirement requires a letter of resignation be sent to the bishop, with a copy to the chancellor. If the bishop accepts the resignation, the priest must notify the Priests' Retirement Committee chairman and the Vicar for Clergy. The committee will review the priest's status and determine eligibility and the amount to be paid. Payments begin the month following retirement.
7. An automatic cost of living increase is to be added each July to retired priests' retirement pay.

**TAX SHELTERED ANNUITY**

1. The tax-sheltered annuity program is administered by the parish and offered to all priests. The priest's participation is voluntary. Effective date for this program is October 1, 1995.
2. A manual which describes the tax-sheltered annuity plan is available from the Diocesan Finance Office.

NB: This is a summary of the actual trust agreement. Please refer to the actual document for complete information.