Defined Benefit Plan for the Employees of the Diocese of Owensboro

I. CHRISTIAN BROTHERS EMPLOYEE RETIREMENT PLAN

Trust: Established 1964. Current Participation: 38,000 Employees/700 Employers. Funds are held by a trustee bank in an irrevocable trust. Employers have no access to the funds. The approximate value of the trust fund is currently $1,500,000,000.

Funding: Contributions and Benefits – Your employer has chosen the following option as it relates to future service contributions and benefits.

Prior to July 1, 2014 – 2.64% of gross wages

After June 30, 2014 – 2.04% of gross wages

Example: Employee has twenty years of service as of July 1, 2014. Average yearly earnings over this period were $30,000. Employee worked for five years after June 30, 2014 at an average salary of $38,000.

<table>
<thead>
<tr>
<th>Calculation</th>
<th>Benefit</th>
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<tbody>
<tr>
<td>2.64% x $30,000 x 20 yrs.</td>
<td>$15,840</td>
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<tr>
<td>2.04% x $38,000 x 5 yrs.</td>
<td>$3,876</td>
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<tr>
<td><strong>Total Annual Benefit after 20 years</strong></td>
<td><strong>$19,716</strong></td>
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Eligibility: An employee must work a minimum of 20 hours per week. There is no probationary period.

Vesting: 4 years and 9 months gives right to a pension.

Death Benefits for Active Employees: If a married and vested active employee dies before retirement, the surviving spouse will receive an actuarially reduced 50% pension for life beginning no earlier than the date the participant would have been age 55.

If a non-married, vested active employee dies before retirement, the designated beneficiary will receive a lump-sum payment of up to $10,000.
Retirement Age:  
Age 55 – early retirement at reduced benefits  
Age 65 – normal retirement for participants before July 1, 2012  
Social Security normal retirement age (new participants on or after 7/1/12)

Golden Rule of 90:  
After 7/1/97, if an eligible employee’s age plus years of service is at least 90 (e.g. age 60 with 30 years of service), then he/she is eligible for early retirement with an unreduced benefit. The employee must have been a participant in the Plan prior to July 1, 2012.

Normal Form of Payment:  
Single Employee: Life only (monthly benefit for life)  
Married Employee: Joint and 50% to Survivor annuity

Optional Form of Payment:  
Single Employee: 50% of reduced benefit to surviving joint pensioner.  
100% of reduced benefit to joint pensioner (if age difference is no more than 10 years)

Married Employee: Life only (monthly benefit for life) OR  
100% of reduced benefit to surviving spouse

All Employees: 10 Year Certain & Life. A reduced benefit is guaranteed payable for no less than 120 months.

IRS Approved:  
401 (a) Plan – Plan is qualified, earnings of the Trust are tax exempt

Pension Board: Seven members who administer the Plan according to the Plan Document

II. SOCIAL SECURITY

Social Security Benefits are in addition to benefits provided by CBERP. Social Security Benefits are not affected by benefits provided by CBERP, and CBERP Benefits are not affected by Social Security Benefits.

This summary sheet should give you some general information related to the benefits in the Plan. In the case of any conflict or inconsistencies between this summary and the Plan Document, the provisions of the Plan Document will always govern.