



Diocese of Winona-Rochester

January 18, 2019

Dear Participants in the Diocese of Winona-Rochester Priest's Defined Benefit Pension Plan ("Plan")

As shared in recent communications, the Diocese of Winona-Rochester has filed for Chapter 11 Bankruptcy protection in order to move forward and proactively bring healing and justice to the survivors of clergy abuse in our diocese. One of the concerns being raised by participants in the Priest's Pension Plan is what impact Chapter 11 Bankruptcy will have on the Plan's assets:

- By law, creditors have **no** access to the funds set aside for qualified retirement plan benefits for employees. Federal law* requires all defined benefit assets to be held in a custodial trust separate from the employer's business assets. The Diocese of Winona-Rochester Priest's Defined Benefit Pension Plan is a qualified retirement plan, and as such, is subject to the protections stated above. The defined benefit assets are not held by the Diocese of Winona-Rochester and no creditors can lay claim to the money in the pension plan.

*[*The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 provides protection for the retirement benefits of employees of bankrupt employers. This protection extends to contributions for qualified defined benefit and defined contribution plans, government plans, non-electing church plans, public section 457 plans, and section 403(b) plans and programs.]*

During this time of reorganization, the Diocese of Winona-Rochester is committed to the effective administration of **all** benefits (Priest's Pension Plan, 403(b) Plan, Health Plan, etc.) offered to all Plan participants. Should you have any questions or concerns please feel free to contact:

- David Fricke, Director, Office of Human Resources, 507-858-1250 or dfricke@dowr.org
- Andrew Brannon, Chief Finance & Administrative Officer, 507-858-1248 or abrannon@dowr.org

Sincerely,

David W. Fricke
Director, Office of Human Resources