

**SAINT PETER'S HEALTHCARE SYSTEM 401(K) PLAN  
SUMMARY PLAN DESCRIPTION**

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## SAINT PETER'S HEALTHCARE SYSTEM 401(K) PLAN

### SUMMARY PLAN DESCRIPTION

#### INTRODUCTION TO YOUR PLAN

##### What kind of Plan is this?

The Saint Peter's Healthcare System 401(k) Plan (the "Plan") has been adopted to provide you with the opportunity to save for retirement on a tax-advantaged basis. This Plan is a type of qualified retirement plan commonly referred to as a 401(k) profit sharing plan.

##### What information does this Summary provide?

This Summary Plan Description ("SPD") contains information regarding when you may become eligible to participate in the Plan, your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this SPD to get a better understanding of your rights and obligations under the Plan.

In this Summary, your Employer has addressed the most common questions you may have regarding the Plan. If this SPD does not answer all of your questions, please contact the Administrator or other Plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this SPD in the Article XII entitled "*General Information About the Plan.*" If you had an account balance transferred into this Plan from the Saint Peter's Physicians Associates 401(k) Plan, please see Article XI entitled "*Protected Provisions from the Saint Peter's Physicians Associates 401(k) Plan.*"

This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the language in this SPD and the language of the Plan document conflict, the language in the Plan document will take precedence and always will govern. If you wish to receive a copy of the Plan document, please contact the Administrator.

The Plan and your rights under the Plan are subject to federal laws, such as the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Internal Revenue Code of 1986, as amended (the "Code"). The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (the "IRS") or Department of Labor (the "DOL"). Your Employer may also amend or terminate this Plan. Your Employer will notify you if the provisions of the Plan that are described in this SPD change.

This SPD reflects the provisions of the Plan as in effect as of July 1, 2020.

##### Types of contributions.

The following types of contributions may be made under this Plan:

- Employee salary deferrals including Roth 401(k) deferrals
- Employer matching contributions
- Employer profit sharing contributions
- Employee "rollover" contributions

## ARTICLE I

### PARTICIPATION IN THE PLAN

##### How do I participate in the Plan?

Provided you are not an Excluded Employee, you may become a "Participant" in the Plan once you have satisfied the eligibility requirements and reached your "Entry Date." The following describes the eligibility requirements and Entry Dates that apply. You should contact the Administrator if you have questions about the timing of your Plan participation.

##### Salary Deferrals (and Rollover Contributions)

**Excluded Employees.** If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of salary deferrals and "rollover" contributions. The Excluded Employees are:

- Certain nonresident aliens who have no earned income from sources within the United States
- Student Employees
- Employees of New York Based Gianna Practice
- Per Diem Employees
- Part-time employees working less than 20 hours per week (and have not completed a Year of Service)

**Eligibility conditions.** You will be eligible to participate for purposes of salary deferrals on your date of hire.

**Entry Date.** For purposes of salary deferrals, your Entry Date will be your date of hire.

#### Employer Matching Contributions

**Excluded Employees.** If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of matching contributions. The Excluded Employees are:

- Certain nonresident aliens who have no earned income from sources within the United States
- Student Employees
- Employees of New York Based Gianna Practice
- Per diem employees
- Part-time employees working less than 20 hours per week (and have not completed a Year of Service)
- Residents and fellows

**Eligibility conditions.** You will be eligible to participate for purposes of matching contributions when you have satisfied the following eligibility condition:

- 90 consecutive days of employment

However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

**Entry Date.** For purposes of matching contributions, your Entry Date will be the first day of the month following the date the eligibility condition is met.

#### Employer Profit Sharing Contributions

**Excluded Employees.** If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan for purposes of profit sharing contributions. The Excluded Employees are:

- Certain nonresident aliens who have no earned income from sources within the United States
- Student Employees
- Employees of New York Based Gianna Practice
- Per diem employees
- Part-time employees working less than 20 hours per week (and have not completed a Year of Service)
- Residents and fellows

**Eligibility conditions.** You will be eligible to participate for purposes of profit sharing contributions when you have satisfied the following eligibility condition:

- 90 consecutive days of employment

However, you will actually become a Participant in the Plan once you reach the Entry Date as described below.

**Entry Date.** For purposes of profit sharing contributions, your Entry Date will be the first day of the month following the date the eligibility condition is met.

“Other Eligibility Condition Provisions.” Any employee who was eligible to participate in the Saint Peter's Physicians Associates 401(k) Plan on April 6, 2019 shall be eligible to participate in the Plan as of April 25, 2019.

#### **What service is counted for purposes of Plan eligibility?**

Service with the Employer. In determining whether you satisfy the minimum service requirements to participate under the Plan, all service you perform for the Employer (including any Participating Employer) or an Affiliated Employer will generally be counted.

Military service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. If you may be affected by this law, ask the Administrator for further details.

#### **What happens if I am a Participant, terminate employment and then I am rehired?**

If you are no longer a Participant because you terminated employment, and you are rehired, then you will be able to participate in the Plan on your date of rehire provided you are otherwise eligible to participate in the Plan.

## **ARTICLE II EMPLOYEE CONTRIBUTIONS**

## What are salary deferrals and how do I contribute them to the Plan?

**Salary deferrals.** As a Participant under the Plan, you may elect to reduce your compensation by a specific percentage or dollar amount and have that amount contributed to the Plan as a salary deferral. There are two types of salary deferrals: Pre-Tax 401(k) deferrals and Roth 401(k) deferrals. For purposes of this SPD, "salary deferrals" generally means both Pre-Tax 401(k) deferrals and Roth 401(k) deferrals. Regardless of the type of deferral you make, the amount you defer is counted as compensation for purposes of Social Security taxes.

**Pre-Tax 401(k) deferrals.** If you elect to make Pre-Tax 401(k) deferrals, then your taxable income is reduced by the deferral contributions, so you pay less in federal income taxes. Later, when the Plan distributes the deferrals and earnings, you will pay the taxes on those deferrals and the earnings. Therefore, with a Pre-Tax 401(k) deferral, federal income taxes on the deferral contributions and on the earnings are only postponed. Eventually, you will have to pay taxes on these amounts.

**Roth 401(k) deferrals.** If you elect to make Roth 401(k) deferrals, the deferrals are subject to federal income taxes in the year of deferral. However, the deferrals and, in most cases, the earnings on the deferrals are not subject to federal income taxes when distributed to you. In order for the earnings to be tax free, you must meet certain conditions. See "*What are my tax consequences when I receive a distribution from the Plan?*" below.

**Deferral procedure.** The amount you elect to defer will be deducted from your pay in accordance with a procedure established by the Administrator. You may elect to defer a portion of your salary as of your Entry Date. Such election will become effective as soon as administratively feasible after it is received by the Administrator. Your election will remain in effect until you modify or terminate it unless your salary deferrals are automatically suspended under the terms of the Plan.

**Deferral modifications.** You are permitted to revoke your salary deferral agreement at any time during the Plan Year. The Administrator shall establish procedures for modifying an election. Any modification will become effective as soon as administratively feasible after it is received by the Administrator.

**Deferral limit.** As a Participant, you may elect to defer a percentage of your compensation each year instead of receiving that amount in cash. Your total deferrals in any taxable year may not exceed a dollar limit, which is set by law. The limit for 2020 is \$19,500. After 2020, the dollar limit may increase for cost-of-living adjustments.

**Catch-up contributions.** If you are at least age 50 or will attain age 50 before the end of a calendar year, then you may elect to defer additional amounts (called "catch-up contributions") to the Plan as of the January 1st of that year. The additional amounts may be deferred regardless of any other limitations on the amount that you may defer to the Plan. The maximum "catch-up contribution" that you can make in 2020 is \$6,500. After 2020, the maximum may increase for cost-of-living adjustments.

**Automatic Deferral.** The Plan includes an automatic salary deferral feature. Your Employer will automatically withhold three to ten percent (3-10%) of your Compensation from your pay each payroll period and contribute that amount to the Plan as a Pre-Tax 401(k) deferral. The Automatic Deferral provisions apply to all Participants, except those who have a salary deferral agreement in effect.

**Automatic Deferral provisions.** The following provisions apply to these Automatic Deferrals:

- You may complete a salary deferral agreement to elect an alternative deferral amount or to elect *not* to defer under the Plan in accordance with the deferral procedures of the Plan.
- The amount to be automatically withheld from your pay each payroll period will be equal to **three percent (3%) of your Compensation**.
- **Escalation of Automatic Deferral Amount.** While you are a Participant, the Automatic Deferral amount will increase by one percent (1%) of your Compensation up to a maximum of ten percent (10%) of Compensation each July 1.
  - If you do not complete a salary deferral agreement to elect an alternative deferral amount or to elect not to defer under the Plan, the escalation provision specified above will automatically apply.
  - If you complete a salary deferral agreement to elect an alternative deferral amount, you may choose to "opt in" or "opt out" of the escalation provision specified above.

Contact the Administrator if you have any questions concerning the application of this Automatic Deferral provision.

**"Annual dollar limit".** You should also be aware that each separately stated annual dollar limit on the amount you may defer (the annual deferral limit and the "catch-up contribution" limit) is a separate aggregate limit that applies to all such similar salary deferral amounts and "catch-up contributions" you may make under this Plan and any other cash or deferred arrangements (including tax-sheltered 403(b) annuity contracts, simplified employee pensions or other 401(k) plans) in which you may be participating. Generally, if an annual dollar limit is exceeded, then the excess must be returned to you in order to avoid adverse tax consequences.

If you are in more than one plan, you must decide which plan or arrangement you would like to return the excess. If you decide that any such excess salary deferral amounts should be distributed from this Plan, you must communicate this in writing to the Administrator not later than the March 1st following the close of the calendar year in which such excess deferrals were made. However, if the entire dollar limit is exceeded in this Plan or any other plan your Employer maintains, then you will be deemed to have notified the Administrator of the excess. The Administrator will then return the excess deferrals and any earnings to you by April 15th.

**Allocation of deferrals.** The Administrator will allocate the amount you elect to defer to an account maintained on your behalf. You will always be 100% vested in this account (see Article V in this SPD entitled "*Vesting*"). This means that you will always be entitled to all amounts that you defer. This money will, however, be affected by any investment gains or losses. If there is an investment gain, then the balance in your account will increase. If there is an investment loss, then the balance in your account will decrease.

Distribution of deferrals. The rules regarding distributions of amounts attributable to your salary deferrals are explained later in this SPD. However, if you are a highly compensated employee (generally more than 5% owners and certain family members (regardless of how much they earn), or individuals receiving wages in excess of certain amounts established by law), a distribution of amounts attributable to your salary deferrals or certain excess contributions may be required to comply with the law. The Administrator will notify you when a distribution is required.

#### **What are "rollover" contributions?**

Rollover contributions. At the discretion of the Administrator, if you are a Participant who is currently employed or an Eligible Employee, you may be permitted to deposit into the Plan distributions you have received from other retirement plans and certain IRAs. Such a deposit is called a "rollover" contribution and may result in tax savings to you. You may ask the Administrator or Trustee of the other plan or IRA to directly transfer (a "direct rollover") to this Plan all or a portion of any amount that you are entitled to receive as a distribution from such plan. Alternatively, you may elect to deposit any amount eligible to be rolled over within 60 days of your receipt of the distribution. You should consult qualified tax counsel to determine if a rollover is in your best interest.

Rollover account. Your "rollover" contribution will be accounted for in a "rollover account." You will always be 100% vested in your "rollover account" (see Article V in this SPD entitled "*Vesting*"). This means that you will always be entitled to all amounts in your "rollover account." Rollover contributions will be affected by any investment gains or losses.

Withdrawal of "rollover" contributions. You may withdraw the amounts in your "rollover account" at any time.

### **ARTICLE III EMPLOYER CONTRIBUTIONS**

In addition to any deferrals you elect to make, your Employer will make additional contributions to the Plan. This Article describes Employer contributions that will be made to the Plan and how your share of the contribution is determined.

#### **What is the Employer matching contribution and how is it allocated?**

Matching contribution. Subject to the limit below, your Employer will make a matching contribution for each payroll period equal to one hundred percent (100%) of your salary deferrals for such payroll period.

Limit on matching contribution. In applying the matching contribution, your salary deferrals for a given payroll period that exceed three percent (3%) of your Compensation for such payroll period will not be considered. (i.e., will not be matched).

Allocation conditions. You will always share in the matching contribution regardless of the amount of service you complete during the Plan Year or employment status on the last day of the Plan Year.

#### **What is the Employer profit sharing contribution and how is it allocated?**

Profit sharing contribution. Each year, your Employer will make to the Plan a profit sharing contribution equal to two percent (2%) of the Compensation of all Participants eligible to share in allocations.

Allocation conditions. You will always share in the profit sharing contribution regardless of the amount of service you complete during the Plan Year or employment status on the last day of the Plan Year. Your share of the contribution. The profit sharing contribution will be "allocated" or divided among Participants eligible to share in the contribution for the Plan Year.

#### **What are forfeitures and how are they allocated?**

Definition of forfeitures. In order to reward employees who remain employed with the Employer for long periods of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan and the earnings thereon. This means that you will not be "vested" in (entitled to) in such contributions and earnings until you have been employed with the Employer for a specified period of time (see Article V entitled "*Vesting*"). If a Participant terminates employment before being fully vested, then the non-vested portion of the terminated Participant's account becomes a forfeiture.

Use of forfeitures. The Employer may use forfeitures to pay Plan expenses or to reduce amounts otherwise required to be contributed to the Plan.

### **ARTICLE IV COMPENSATION AND ACCOUNT BALANCE**

#### **What compensation is used to determine my Plan benefits?**

Definition of Compensation. For the purposes of the Plan, Compensation has a special meaning. Compensation is generally defined as your total compensation that is subject to income tax and paid to you by your Employer during the Plan Year. In addition, pre-tax salary reductions to this Plan and to any other plan or arrangement (such as a cafeteria plan) will be included in Compensation. If you are a self-employed individual, your Compensation will be equal to your earned income. The following describes the adjustments to Compensation that may apply for the different types of contributions provided under the Plan.

#### All Contributions

**Adjustments to compensation.** The following will be excluded from the definition of Compensation:

- Compensation paid during the “determination period” (i.e., the payroll period for salary deferrals and matching contributions and the Plan Year for profit sharing contributions) while not a Participant in the component of the Plan (i.e., salary deferrals, matching contributions and profit sharing contributions) for which the definition of Compensation is being used.
- Overtime
- Bonuses (other than wRVU Incentive Pay and wRVU Incentive Pay, which are included as Compensation under the Plan)
- On-call fees where an Employee is not called in to work
- Unused accrued sick, vacation or other leave that Employees are entitled to cash out
- Post-severance compensation (other than Compensation for services performed during your regular working hours, or for services outside your regular working hours or other similar payments that would have been made to you had you continued employment)

**Is there a limit on the amount of compensation which can be considered?**

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for the Plan Year beginning in 2020 is \$285,000. After 2020, the dollar limit may increase for cost-of-living adjustments.

**Is there a limit on how much can be contributed to my account each year?**

Generally, the law imposes a maximum limit on the amount of contributions (excluding "catch-up contributions") that may be made to your account and any other amounts allocated to any of your accounts during the Plan Year, excluding earnings. Beginning in 2020, this total cannot exceed the lesser of \$57,000 or 100% of your annual compensation. After 2020, the dollar limit may increase for cost-of-living adjustments.

**How is the money in the Plan invested?**

All money that is contributed to the Plan is either held in a Trust Fund. The Trustee is responsible for the safekeeping of the Trust Fund. The Trust Fund is the funding medium used for the accumulation of assets from which benefits will be distributed.

**What investments are permitted?**

Your Employer (or someone appointed by your Employer or the Administrator) will select the investment vendors and investment options that will be available under the Plan. The investment options will be limited to mutual funds purchased through a trust account. The list of approved investment options and vendors may change from time to time, as your Employer considers appropriate. Your Employer may restrict the list of vendors who may accept new contributions to the Plan and it may be different from the list of vendors and investment options available once the contributions have been made to the Plan through a contract exchange. You should carefully review the trust account, the prospectus, or other available information before making investment decisions.

**Who is responsible for selecting the investments for my contributions under the Plan?**

You have the right to decide how your Plan balance will be invested. Your Employer will establish administrative procedures that you must follow to select/change your investments. Your Employer will designate a list of investment options that you may select for the investment of your Plan account. Contact your Employer or the Administrator if you are not certain whether a particular investment option is permitted under the Plan. If you do not select investments for your Plan account, the Employer or the Administrator will determine how your account will be invested.

**How frequently can I change my investment elections?**

You may change your investment elections under the Plan on a daily basis. Any such change shall take effect as soon as administratively practicable thereafter.

Earnings or losses. When you direct investments, your Plan account is segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance of other Participants who have directed their own investments. You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur.

Periodically (at least quarterly), you will receive a benefit statement that provides information on your account balance and your investment returns. It is your responsibility to notify the Administrator of any errors you see on any statements within 30 days after the statement is provided or made available to you.

**Will Plan fees be deducted from my account balance?**

Fees allocated to all accounts. There are three basic categories of fees that may be charged to your account: investment fees, plan administration fees, and transaction-based fees. Investment fees are generally assessed as a percentage of assets invested and are deducted directly from your investment returns. Plan administration fees cover the day-to-day expenses of the Plan for recordkeeping, accounting, legal and trustee services, as well as additional services that may be available under the Plan, such as daily valuation, internet access to plan information, retirement planning tools, and educational materials. The Plan Trustee charges an administration fee to each Participant with an account balance of \$40 annually, which is assessed at \$10 per quarter. Transaction-based fees are associated with optional services offered under the Plan and are charged directly to your account if you take advantage of a particular Plan feature that may be available.

**ARTICLE V  
VESTING**

**What is my vested interest in my account?**

In order to reward employees who remain employed with the Employer for a long period of time, the law permits a "vesting schedule" to be applied to certain contributions that your Employer makes to the Plan and associated earnings. This means that you will not be entitled ("vested") in such contributions until you have been employed with the Employer for a specified period of time.

100% vested contributions. You are always 100% vested (which means that you are entitled to all of the amounts) in your accounts attributable to the following contributions:

- Salary deferrals (including Roth 401(k) deferrals and "catch-up contributions"); and
- "Rollover" contributions

Vesting schedules. Your "vested percentage" for certain Employer contributions and associated earnings is based on vesting Periods of Service. This means at the time you stop working, your account balance attributable to contributions subject to a vesting schedule is multiplied by your vested percentage. The result, when added to the amounts that are always 100% vested as shown above, is your vested interest in the Plan, which is what you will actually receive from the Plan.

**Employer Profit Sharing Contributions**

Your "vested percentage" in your account attributable to profit sharing contributions and associated earnings is determined under the following schedule. You will always, however, be 100% vested in your profit sharing contributions if you are employed on or after your Normal Retirement Age, if you die, or if you become disabled.

<b>Vesting Schedule</b>	
<b>Profit Sharing Contributions</b>	
<u>Periods of Service</u>	<u>Percentage</u>
Less than 3 years	0%
3 years	100%

**Employer Matching Contributions**

Your "vested percentage" in your account attributable to matching contributions and associated earnings is determined under the following schedule. You will always, however, be 100% vested in your matching contributions if you are employed on or after your Normal Retirement Age, if you die, or if you become disabled.

<b>Vesting Schedule</b>	
<b>Matching Contributions</b>	
<u>Periods of Service</u>	<u>Percentage</u>
Less than 3 years	0%
3 years	100%

**How is my service determined for vesting purposes?**

Period of Service. You will be credited with a Period of Service for each twelve-month period from your date of employment until the date you terminate employment. The Administrator will track your service and will credit you with a Period of Service in accordance with the terms of the Plan. If you have any questions regarding your vesting service, you should contact the Administrator.

**What service is counted for vesting purposes?**

Service with the Employer. In calculating your vested percentage, all service you perform for the Employer will generally be counted. However, there are some exceptions to this general rule.

**Break in Service Rules.** If you terminate employment and are rehired, you may lose credit for prior service under the Plan's Break in Service rules. For vesting purposes, you will have a 1-Year Break in Service if you are not employed with the Employer for a period of at least twelve consecutive months. However, if you are absent from work for certain leaves of absence such as a maternity or paternity leave, the twelve consecutive month period beginning on the first anniversary of your first day of such absence will not constitute a Break in Service.

**Five-year Break in Service rule.** The five-year Break in Service rule applies only to employees who had no vested interest in the Plan when employment had terminated. If you were not vested in any amounts when you terminated employment and you have five 1-Year Breaks in Service (as defined above), all the service you earned before the 5-year period no longer counts for vesting purposes. Thus, if you return to employment after incurring five 1-Year Breaks in Service, you will be treated as a new employee (with no service) for purposes of determining your vested percentage under the Plan.

Military service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. If you may be affected by this law, ask the Administrator for further details.

#### **What happens to my non-vested account balance if I am rehired?**

If you have no vested interest in the Plan when you leave, your account balance will be forfeited. However, if you are rehired before incurring five 1-Year Breaks in Service, your account balance as of your termination date will be restored, unadjusted for any gains or losses.

If you are partially vested in your account balance when you leave, the non-vested portion of your account balance will be forfeited on the earlier of the date:

- of the distribution of your vested account balance, or
- when you incur five consecutive 1-Year Breaks in Service.

If you received a distribution of your vested account balance and are rehired, you may have the right to repay this distribution. If you repay the entire amount of the distribution, your Employer will restore your account balance with your forfeited amount. You must repay this distribution within five years from your date of reemployment, or, if earlier, before you incur five 1-Year Breaks in Service.

#### **What happens if the Plan becomes a "top-heavy plan"?**

Top-heavy plan. A retirement plan that primarily benefits "key employees" is called a "top-heavy plan." "Key employees" are certain owners or officers of your Employer. A plan is generally a "top-heavy plan" when more than 60% of the plan assets are attributable to "key employees." Each year, the Administrator is responsible for determining whether the Plan is a "top-heavy plan."

Top-heavy rules. If the Plan becomes top-heavy in any Plan Year, then non-key employees may be entitled to certain "top-heavy minimum benefits," and other special rules will apply. These top-heavy rules include the following:

- Your Employer may be required to make a contribution to non-key employees in order to provide them with at least "top-heavy minimum benefits."
- If you are a Participant in more than one Plan, you may not be entitled to "top-heavy minimum benefits" under both Plans.

## **ARTICLE VI**

### **DISTRIBUTIONS PRIOR TO TERMINATION AND HARDSHIP DISTRIBUTIONS**

#### **Can I withdraw money from my account while working?**

In-service distributions. You may be entitled to receive an in-service distribution, from certain accounts prior to your termination of employment provided you satisfy any of the conditions described below.

- attain age 59 ½
- incur a disability

However, this distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement. This distribution is made at your election and will be made in accordance with the forms of distributions available under the Plan and under the contracts in which the Plan assets are invested.

Account restrictions. You may request an in-service distribution only from the vested portion of the following accounts:

- pre-tax deferral accounts
- Roth 401(k) deferral accounts
- "rollover accounts" (distributions may be made at any time)

### **Can I withdraw money from my account in the event of financial hardship?**

Hardship distributions. You may withdraw money for financial hardship if you satisfy certain conditions and provided the distribution is permitted under the contracts in which the Plan assets are invested. This hardship distribution is not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at retirement.

Qualifying expenses. A hardship distribution may only be made to satisfy the following "immediate and heavy financial needs":

- expenses for medical care (described in Section 213(d) of the Internal Revenue Code) previously incurred by you, your spouse or your dependents or necessary for you, your spouse or your dependents to obtain medical care.
- costs directly related to the purchase of your principal residence (excluding mortgage payments).
- tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for yourself, your spouse or your dependents.
- amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- payments for burial or funeral expenses for your deceased parent, spouse, children or other dependents.
- expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under the Internal Revenue Code.

Conditions. If you have any of the above expenses, a hardship distribution can only be made if you certify and agree that all of the following conditions are satisfied:

- The distribution is not in excess of the amount of your immediate and heavy financial need. The amount of your immediate and heavy financial need may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution; and
- You have obtained all available distributions, other than hardship distributions.

Account restrictions. You may request a hardship distribution only from the vested portion of the following accounts:

- pre-tax deferral accounts
- Roth 401(k) deferral accounts

Ask the Administrator if you need further details.

## **ARTICLE VII**

### **BENEFITS AND DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT**

#### **When can I get money out of the Plan?**

You may receive a distribution of the vested portion of some or all of your accounts in the Plan for the following reasons, provided the distribution is also permitted under the term of the contracts in which the Plan assets are invested:

- termination of employment for reasons other than death or retirement
- normal retirement
- disability
- death

This Plan is designed to provide you with retirement benefits. However, distributions are permitted if you die or become disabled. In addition, certain payments are permitted when you terminate employment for any other reason. The rules under which you can receive a distribution are described in this Article. You may also receive distributions while you are still employed with the Employer. (See Article VI entitled "*Distributions Prior to Termination and Hardship Distributions*" for a further explanation.) The rules regarding the payment of death benefits to your beneficiary are described in "*Benefits and Distributions Upon Death*."

#### **What happens if I terminate employment before death or retirement?**

If your employment terminates for reasons other than death, disability or normal retirement, you will be entitled to receive only the "vested percentage" of your account balance.

You may elect to have your vested account balance distributed to you as soon as administratively feasible following your termination of employment. However, if the value of your vested account balance does not exceed \$1,000, then a distribution will be made to you regardless of whether you consent to receive it.

Regardless of the preceding, the distribution provisions described above only apply if they are permitted by the contracts in which the Plan assets are invested.

Treatment of "rollover" contributions for consent to distribution. In determining if the value of your vested account balance exceeds the \$1,000 threshold described above, your "rollover account" will be considered as part of your account benefit.

### **What happens if I terminate employment on or following Normal Retirement Age?**

Normal Retirement Date. You will attain your Normal Retirement Age when you reach age 65. Your Normal Retirement Date is the date on which you attain your Normal Retirement Age.

Payment of benefits. You will become 100% vested in all of your accounts under the Plan once you attain your Normal Retirement Age. However, the actual payment of benefits generally will not begin until you have terminated employment and reached your Normal Retirement Date. In such event, a distribution will be made, at your election, as soon as administratively feasible. If you remain employed past your Normal Retirement Date, you may generally defer the receipt of benefits until you actually terminate employment. In such event, benefit payments will begin as soon as feasible at your request, but generally not later than age 70 1/2.

### **What happens if I terminate employment due to disability?**

Definition of disability. Under the Plan, disability is defined as a physical or mental condition resulting from bodily injury, disease, or mental disorder which renders you incapable of continuing any gainful occupation and which has lasted or can be expected to last for a continuous period of at least twelve (12) months. Your disability must be determined by a licensed physician. However, if your condition constitutes total disability under the federal Social Security Act, then the Administrator may deem that you are disabled for purposes of the Plan.

Payment of benefits. If you become disabled while an employee, you will become 100% vested in all of your accounts under the Plan. However, if the value of your account balance does not exceed \$1,000, then a distribution of your account balance will be made to you, regardless of whether you consent to receive it.

### **How will my benefits be paid to me?**

The following provisions apply to the extent permitted under the contracts in which the Plan assets are invested.

Forms of distribution. If your vested account balance exceeds \$1,000, you must consent to any distribution before it may be made. In determining whether your vested account balance exceeds this dollar threshold, "rollover" contributions (and any earnings allocable to "rollover" contributions) will be taken into account. You may elect to receive a distribution of your vested account balance in:

- a) a single lump-sum payment
- b) installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary)
- c) partial withdrawals

Delaying distributions. You may delay the distribution of your vested account balance unless a distribution is required to be made, as explained earlier, because your vested account balance does not exceed \$1,000. However, if you elect to delay the distribution of your vested account balance, there are rules that require that certain minimum distributions be made from the Plan. If you are a 5% owner and reach 70 ½ on or before December 31, 2019, distributions are required to begin not later than the April 1st following the end of the year in which you reach age 70 ½. If you are not a 5% owner and reach 70 ½ on or before December 31, 2019, distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 70 ½ or retire. If you are a 5% owner and reach 70 ½ after December 31, 2019, distributions are required to begin not later than the April 1st following the end of the year in which you reach age 72. If you are not a 5% owner and reach 70 ½ after December 31, 2019, distributions are required to begin not later than the April 1st following the later of the end of the year in which you reach age 72 or retire. You should contact the Administrator if you think you may be affected by these rules.

## **ARTICLE VIII**

### **BENEFITS AND DISTRIBUTIONS UPON DEATH**

#### **What happens if I die while working for the Employer?**

If you die while still employed by the Employer, then your account balance will become fully vested and be used to provide your beneficiary with a death benefit.

#### **Who is the beneficiary of my death benefit?**

Married Participant. If you are married at the time of your death, your spouse will be the beneficiary of the entire death benefit *unless* an election is made to change the beneficiary. IF YOU WISH TO DESIGNATE A BENEFICIARY OTHER THAN YOUR SPOUSE, YOUR SPOUSE (IF YOU ARE MARRIED) MUST IRREVOCABLY CONSENT TO WAIVE ANY RIGHT TO THE DEATH BENEFIT. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY OR A PLAN REPRESENTATIVE AND ACKNOWLEDGE THE SPECIFIC NONSPOUSE BENEFICIARY.

If you are married and you change your designation, then your spouse must again consent to the change. In addition, you may elect a beneficiary other than your spouse without your spouse's consent if (i) you are legally separated or have been abandoned and have a court order to that effect or (ii) your spouse cannot be located.

Since your spouse has certain rights to the death benefit, you should immediately report any change in your marital status to the Administrator.

Unmarried Participant. If you are not married, you may designate a beneficiary on a form to be supplied to you by the Administrator.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit (unless you have remarried).

No beneficiary designation. At the time of your death, if you have not designated a beneficiary or your beneficiary is also not alive, the death benefit will be paid in the following order of priority to:

- (a) your surviving spouse
- (b) your children, including adopted children in equal shares (and if a child is not living, that child's share will be distributed to that child's heirs)
- (c) your surviving parents, in equal shares
- (d) your estate

#### **How will the death benefit be paid to my beneficiary?**

The following provisions apply to the extent permitted under the contracts in which the Plan assets are invested.

Form of distribution. Your beneficiary may elect to have the death benefit paid in:

- a single lump-sum payment
- installments over a period of not more than the assumed life expectancy of your beneficiary
- partial withdrawals

#### **When must the last payment be made to my beneficiary?**

The law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

Regardless of the method of distribution selected, if your designated beneficiary is a person (rather than your estate or some trusts) then minimum distributions of your death benefit will begin by the end of the year following the year of your death ("1-year rule") and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary and you would have attained 70 ½ on or before December 31, 2019, then under the "1-year rule," the start of payments will be delayed until 2019.. If your spouse is the beneficiary and you would not have attained age 70 ½ on or before December 31, 2019, then under the "1-year rule," the start of payments will be delayed until the year in which you would have attained 72, unless your spouse elects to begin distributions over his or her life expectancy before then. However, instead of the "1-year rule" your beneficiary may elect to have the entire death benefit paid by the end of the fifth year following the year of your death (the "5-year rule"). Generally, if your beneficiary is not a person, your entire death benefit must be paid under the "5-year rule."

#### **What happens if I am a Participant, terminate employment and die before receiving all my benefits?**

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining interest in the Plan at the time of your death. The provision in the Plan providing for full vesting of your benefit upon death does not apply if you die after terminating employment.

## **ARTICLE IX**

### **TAX TREATMENT OF DISTRIBUTIONS**

#### **What are my tax consequences when I receive a distribution from the Plan?**

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59 1/2 could be subject to an additional 10% tax.

You will not be taxed on distributions of your Roth 401(k) deferrals. In addition, a distribution of the earnings on the Roth 401(k) deferrals will not be subject to tax if the distribution is a "qualified distribution." A "qualified distribution" is one that is made after you have attained age 59 1/2 or is made on account of your death or disability. In addition, in order to be a "qualified distribution," the distribution cannot be made prior to the expiration of a 5-year participation period. The 5-year participation period is the 5-year period beginning on the calendar year in which you first make a Roth 401(k) deferral to our Plan (or to another 401(k) plan or 403(b) plan if such amount was rolled over into our Plan) and ending on the last day of the calendar year that is 5 years later.

#### **Can I elect a rollover to reduce or defer tax on my distribution?**

Rollover or direct transfer. You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

**60-day rollover.** The rollover of all or a portion of the distribution to an individual retirement account or annuity (IRA) or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, MUST be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances, all or a portion of a distribution (such as a hardship distribution) may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, then the direct transfer option described below would be the better choice.

**Direct rollover.** For most distributions, you may request that a direct transfer (sometimes referred to as a "direct rollover") of all or a portion of a distribution be made to either an individual retirement account or annuity (IRA) or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the 60-day rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer.

**Tax notice.** WHENEVER YOU RECEIVE A DISTRIBUTION THAT IS AN ELIGIBLE ROLLOVER DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

## ARTICLE X

### PROTECTED BENEFITS AND CLAIMS PROCEDURES

#### Are my benefits protected?

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan, given away or otherwise transferred. In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

#### Are there any exceptions to the general rule?

There are three exceptions to this general rule:

- The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, children or other dependents. If a "qualified domestic relations order" is received by the Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a "qualified domestic relations order" is valid.
- The second exception applies if you are involved with the Plan's operation. If you are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount that you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan.
- The last exception applies to federal tax levies and judgments. The federal government is able to use your interest in the Plan to enforce a federal tax levy and to collect a judgment resulting from an unpaid tax assessment.

#### Can the Plan be amended?

Your Employer has the right to amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of Participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

#### What happens if the Plan is discontinued or terminated?

Although your Employer intends to maintain the Plan indefinitely, your Employer reserves the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will become 100% vested. Your Employer will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question entitled "How will my benefits be paid to me?" for a further explanation.) You will be notified if the Plan is terminated.

#### How do I submit a claim for Plan benefits?

You may file a claim for benefits by submitting a written request for benefits to the Administrator. You should contact the Administrator to see if there is an applicable distribution form that must be used. If no specific form is required or available, then your written request for a distribution will be considered a claim for benefits. In the case of a claim for disability benefits, if disability is determined by the Administrator (rather than by a third party such as the Social Security Administration), then you must also include with your claim sufficient evidence to enable the Administrator to make a determination on whether you are disabled.

Decisions on the claim will be made within a reasonable period of time appropriate to the circumstances. "Days" means calendar days. If the Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

For purposes of the claims procedures described below, "you" refers to you, your authorized representative, or anyone else entitled to benefits under the Plan (such as a beneficiary). A document, record, or other information will be considered relevant to a claim if it:

- was relied upon in making the benefit determination;
- was submitted, considered, or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination;
- demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that benefit determinations are made in accordance with Plan documents and Plan provisions have been applied consistently with respect to all claimants; or
- constituted a statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit.

The Plan may offer additional voluntary appeal and/or mandatory arbitration procedures other than those described below. If applicable, the Plan will not assert that you failed to exhaust administrative remedies for failure to use the voluntary procedures, any statute of limitations or other defense based on timeliness is tolled during the time a voluntary appeal is pending; and the voluntary process is available only after exhaustion of the appeals process described in this section. If mandatory arbitration is offered by the Plan, the arbitration must be conducted instead of the appeal process described in this section, and you are not precluded from challenging the decision under ERISA §501(a) or other applicable law.

### **What if my benefits are denied?**

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator will provide you with a written or electronic notification of the Plan's adverse determination. This written or electronic notification must be provided to you within a reasonable period of time, but not later than 90 days (except as provided below for disability claims) after the receipt of your claim by the Administrator, unless the Administrator determines that special circumstances require an extension of time for processing your claim. If the Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 90-day period. In no event will such extension exceed a period of 90 days from the end of such initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the benefit determination.

In the case of a claim for disability benefits, if disability is determined by the Administrator (rather than a third party such as the Social Security Administration or long-term disability carrier), then instead of the above, the initial claim must be resolved within 45 days of receipt by the Plan. A Plan may, however, extend this decision-making period for an additional 30 days for reasons beyond the control of the Plan. The Plan will notify you of the extension prior to the end of the 45-day period. If, after extending the time period for a first period of 30 days, the Administrator determines that it will still be unable, for reasons beyond the control of the Plan, to make a decision within the extension period, the Plan may extend decision making for a second 30-day period. Appropriate notice will be provided to you before the end of the first 45 days and again before the end of each succeeding 30-day period. This notice will explain the circumstances requiring the extension and the date the Administrator expects to render a decision. It will explain the standards on which entitlement to the benefits is based, the unresolved issues that prevent a decision, the additional issues that prevent a decision, and the additional information needed to resolve the issues. You will have 45 days from the date of receipt of the Administrator's notice to provide the information required.

If the Administrator determines that all or part of the claim should be denied (an "adverse benefit determination"), it will provide a notice of its decision in written or electronic form explaining your appeal rights. An "adverse benefit determination" also includes a rescission, which is a retroactive cancellation or termination of entitlement to disability benefits. The notice will be provided in a culturally and linguistically appropriate manner and will state:

- a) The specific reason or reasons for the adverse determination.
- b) Reference to the specific Plan provisions on which the determination was based.
- c) A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.
- d) A description of the Plan's review procedures and the time limits applicable to such procedures. This will include a statement of your right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review.
- e) In the case of a claim for disability benefits if disability is determined by the Administrator (rather than a third party such as the Social Security Administration), then the following additional information will be provided:
  - (i) A discussion of the decision, including an explanation of the basis for disagreeing with or not following:
    - (1) The views you presented to the Plan of health care professionals treating the claimant and vocational professionals who evaluated you;
    - (2) The views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; or
    - (3) A disability determination made by the Social Security Administration and presented by you to the Plan.
  - (ii) Either the internal rules, guidelines, protocols, or other similar criteria relied upon to make a determination, or a statement that such rules, guidelines, protocols, or other criteria do not exist.

(iii) If the adverse benefit determination is based on a medical necessity or experimental treatment and/or investigational treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances. If this is not practical, a statement will be included that such explanation will be provided to you free of charge upon request.

(iv) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim.

If your claim has been denied, and you want to submit your claim for review, you must follow the Claims Review Procedure in the next question.

### **What is the Claims Review Procedure?**

Filing of Claim. Upon the denial of your claim for benefits, you may file your claim for review, in writing, with the Administrator.

(a) YOU MUST FILE THE CLAIM FOR REVIEW **NOT LATER THAN 60 DAYS** (EXCEPT AS PROVIDED BELOW FOR DISABILITY CLAIMS) AFTER YOU HAVE RECEIVED WRITTEN NOTIFICATION OF THE DENIAL OF YOUR CLAIM FOR BENEFITS. For purposes of the immediately preceding sentence, communication shall be deemed made by the Administrator, as of the date of postmark of any regular, first class or certified or other non-electric mail or the date sent of the email, as applicable.

IF YOUR CLAIM IS FOR DISABILITY BENEFITS AND DISABILITY IS DETERMINED BY THE ADMINISTRATOR (RATHER THAN A THIRD PARTY SUCH AS THE SOCIAL SECURITY ADMINISTRATION), THEN INSTEAD OF THE ABOVE, YOU MUST FILE THE CLAIM FOR REVIEW NOT LATER THAN 180 DAYS FOLLOWING RECEIPT OF NOTIFICATION OF AN ADVERSE BENEFIT DETERMINATION. IN THE CASE OF AN ADVERSE BENEFIT DETERMINATION REGARDING A RESCISSION OF COVERAGE, YOU MUST REQUEST A REVIEW WITHIN 90 DAYS OF THE NOTICE.

(b) You may submit written comments, documents, records, and other information relating to your claim for benefits.

(c) You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

(d) Your claim for review must be given a full and fair review. This review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

In addition to the Claims Review Procedure above, if your claim is for disability benefits and disability is determined by the Administrator (rather than a third party such as the Social Security Administration), then:

(a) Your claim will be reviewed without deference to the initial adverse benefit determination and the review will be conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual.

(b) If the initial adverse benefit determination was based on a medical judgment, including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate, the fiduciary will consult with a health care professional who was neither involved in or subordinate to the person who made the original benefit determination. This health care professional will have appropriate training and experience in the field of medicine involved in the medical judgment. Additionally, medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the initial determination will be identified.

(c) Any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your adverse benefit determination will be identified, without regard to whether the advice was relied upon in making the benefit determination.

(d) If the Plan considers, relies upon or creates any new or additional evidence during the review of the adverse benefit determination, the Plan will provide such new or additional evidence to you, free of charge, as soon as possible and sufficiently in advance of the time within which a determination on review is required to allow you time to respond.

(e) Before the Plan issues an adverse benefit determination on review that is based on a new or additional rationale, the Administrator must provide you with a copy of the rationale at no cost to you. The rationale must be provided as soon as possible and sufficiently in advance of the time within which a final determination on appeal is required to allow you time to respond.

Review of Claim. The Administrator will provide you with written or electronic notification of the Plan's benefit determination on review. The Administrator must provide you with notification of this denial within 90 days (45 days with respect to claims relating to the determination of disability benefits) after the Administrator's receipt of your written claim for review, unless the Administrator determines that special circumstances require an extension of time for processing your claim. In such a case, you will be notified, before the end of the initial review period, of the special circumstances requiring the extension and the date a decision is expected. If an extension is provided, the Administrator must notify you of the determination on review no later than 90 days (or 60 days with respect to claims relating to the determination of disability benefits).

The Administrator will provide written or electronic notification to you in a culturally and linguistically appropriate manner. If the initial adverse benefit determination is upheld on review, the notice will include:

(a) The specific reason or reasons for the adverse determination.

(b) Reference to the specific Plan provisions on which the benefit determination was based.

(c) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

(d) In the case of a claim for disability benefits, if disability is determined by the Administrator (rather than a third party such as the Social Security Administration):

(i) Either the specific internal rules, guidelines, protocols, or other similar criteria relied upon to make the determination, or a statement that such rules, guidelines, protocols, or criteria do not exist.

(ii) If the adverse benefit determination is based on a medical necessity or experimental treatment and/or investigational treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances. If this is not practical, a statement will be included that such explanation will be provided to you free of charge, upon request.

(iii) A statement of your right to bring a civil action under section 502(a) of ERISA and, if the Plan imposes a contractual limitations period that applies to your right to bring such an action, a statement to that effect which includes the calendar date on which such limitation expires on the claim.

(iv) If the Plan offers voluntary appeal procedures, a description of those procedures and your right to obtain sufficient information about those procedures upon request to enable you to make an informed decision about whether to submit to such voluntary appeal. These procedures will include a description of your right to representation, the process for selecting the decision maker and the circumstances, if any, that may affect the impartiality of the decision maker. No fees or costs will be imposed on you as part of the voluntary appeal. A decision whether to use the voluntary appeal process will have no effect on your rights to any other Plan benefits.

(v) A discussion of the decision, including an explanation of the basis for disagreeing with or not following:

(1) The views presented by the claimant to the Plan of health care professionals treating you and vocational professionals who evaluated you;

(2) The views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; or

(3) A disability determination made by the Social Security Administration and presented by you to the Plan.

**Civil Actions.** If you have a claim for benefits which is denied, then you may file suit in a state or federal court. Any civil action brought by a claimant under ERISA Section 502(a) shall be based solely on the contentions you advanced during the administrative review process. In addition, the judicial review will be limited to the Plan document and the record developed during the administrative review process.

If you bring a civil action under ERISA Section 502(a), you must file the action **within 12 months** of the date you receive a final adverse determination of your claim on review. Notwithstanding the foregoing, an aggrieved person who fails to engage in or exhaust the claims and review procedures established under the Plan before bringing a claim for benefits under the Plan, based on a claim of futility or any other grounds, must file such action within 12 months of the first date he or she allegedly became entitled to the benefits at issue, based on the facts or conduct he alleges give rise to the claim. The foregoing shall not relieve a person from engaging in and exhausting the claims and review procedures established under the Plan. A claimant who fails to file a civil action within the applicable 12-month period will lose all rights to bring a civil action thereafter.

### **What are my rights as a Plan Participant?**

As a Participant in the Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan Participants are entitled to:

(a) Examine, without charge, at the Administrator's office and at other specified locations, all documents governing the Plan, including annuity contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

(b) Obtain, upon written request to the Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.

(c) Receive a summary of the Plan's annual financial report. The Administrator is required by law to furnish each Participant with a copy of this summary annual report.

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your Employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court

may require the Administrator to provide the materials and pay you up to \$110.00 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. You and your beneficiaries can obtain, without charge, a copy of the "qualified domestic relations order" (QDRO) procedures from the Administrator.

If it should happen that the Plan's fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. The court may order you to pay these costs and fees if you lose or if, for example, it finds your claim is frivolous.

#### **What can I do if I have questions or my rights are violated?**

If you have any questions about the Plan, you should contact the Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## **ARTICLE XI**

### **PROTECTED PROVISIONS FROM THE SAINT PETER'S PHYSICIANS ASSOCIATES 401(K) PLAN**

If you had an account balance under the Saint Peter's Physicians Associates 401(k) Plan (the "SPPA Plan") that was merged into this Plan effective July 1, 2020 (an "SPPA Transferred Account"), you shall have the continuing right to the following benefits under this Plan:

- With respect to the portion of your SPPA Transferred Account comprising employer nonelective profit sharing contributions and associated earnings, the vested percentage under this Plan as of July 1, 2020 or any future date, as applicable, shall be no less than the vested percentage computed under the terms of the SPPA Plan as of July 1, 2020 or any such future date, as applicable.
- Annuities are the normal form of distribution for your SPPA Transferred Account. If you are married on the annuity starting date and do not die before the annuity starting date, you shall receive all amounts from your SPPA Transferred Account in the form of a Qualified Joint and Survivor Annuity, unless you affirmatively waive this distribution form (in the manner set forth in the SPPA Plan). If you are married and die before the annuity starting date, you shall have a Qualified Pre-Retirement Survivor Annuity paid to your surviving spouse, unless you affirmatively waive this distribution form (in the manner set forth in the SPPA Plan). If you are not married or waive the Qualified Joint and Survivor Annuity, you may receive all amounts from your SPPA Transferred Account in one of the following forms: a lump sum, installments, or a Qualified Optional Survivor Annuity.
- The Pre-Retirement Survivor Annuity (minimum spouse's death benefit) is equal to 100% of your SPPA Transferred Account.
- In-Service Distributions at age 59½ shall include your SPPA Transferred Account attributable to (i) Employer Nonelective profit sharing contributions and (ii) Qualified Nonelective Contribution Account) (includes nonelective "ADP test safe harbor contributions").
- Distributions made by Participants that were called to active duty (by being member of a reserve component) after September 11, 2001 for more than 179 days or indefinitely and that were made no earlier than the date of the order or call to active duty (i.e., "Qualified Reservist Distributions") of certain amounts in the SPPA Transferred Accounts do not incur a 10% early withdrawal penalty. [
- Reservists that have been on active duty for more than 30 days will be deemed to have a severance from employment solely for purposes of eligibility for distributions (i.e., "HEART Act Distributions") of certain amounts in the SPPA Transferred Accounts.

## **ARTICLE XII**

### **GENERAL INFORMATION ABOUT THE PLAN**

The following general information that you may need to know about the Plan has been summarized below.

<b>Plan Name</b>	Saint Peter's Healthcare System 401(k) Plan.
<b>Plan Number</b>	006
<b>Plan Effective Date.</b>	Originally effective as of April 25, 2019, and amended and restated effective as of July 1, 2020.
<b>Other Plan Information</b>	
<b>Merged plan(s).</b>	Saint Peter's Physician Associates 401(k) Plan is merged into this Plan effective as of July 1, 2020.
<b>Valuation date.</b>	Valuations of the Plan assets are generally made every business day. Certain distributions are based on the Anniversary Date of the Plan, which is the last day of the Plan Year.
<b>Plan Year.</b>	January 1st to December 31st.
<b>Governing Law</b>	Laws of Missouri to the extent not governed by federal law
<b>Insurance</b>	Benefits provided by the Plan are NOT insured by the Pension Benefit Guaranty Corporation (PBGC) under Title IV of the Employee Retirement Income Security Act of 1974 because the insurance provisions under ERISA are not applicable to this type of Plan.
<b>Service of Legal Process</b>	Your Employer. Service of legal process may also be made upon the Trustee or Administrator.
<b>Employer Information</b>	<p>Saint Peter's Healthcare System  254 Easton Avenue  New Brunswick, New Jersey 08901-1766</p> <p>EIN: 26-2019056  Telephone: 732-745-8600</p>
<b>Participating Employer(s)</b>	<p>Saint Peter's Physician Associates  address same as primary employer</p> <p>EIN: 27-4645523  Telephone: 732-745-8600</p> <p>Saint Peter's University Hospital  address same as primary employer</p> <p>EIN: 22-1487330  Telephone: 732-745-8600</p>
<b>Administrator</b>	<p>Saint Peter's Healthcare System, Retirement Committee  254 Easton Avenue  New Brunswick, New Jersey 08901-1766  Telephone: 732-745-8600</p>
<b>Plan Trustee</b>	<p>TIAA, FSB  211 North Broadway, Suite 1000  St. Louis, Missouri 63102-2733  Telephone: 888-842-9001</p>

**Administrator Information**

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation, and directs the payment of your account at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

**Plan Funding Medium**

All money that is contributed to the Plan is held in a Trust Fund. The Trustee is responsible for the safekeeping of the Trust Fund. The Trust Fund is the funding medium used for the accumulation of assets from which benefits will be distributed.

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