SUMMARY PLAN DESCRIPTION

OF THE

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

January 1, 2016

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I. Introduction

This booklet provides you with a summary of the Southwest Retirement and Cash Balance Plan ("Plan"). The Plan was originally established effective August 1, 1954. The Plan was most recently restated effective January 1, 2016. All benefit accruals under the Plan ceased as of December 31, 2015. This booklet is effective January 1, 2016.

This booklet is written for you, the Employees of Southwest Community Health System, Southwest General Health Center, Southwest Holdings, Inc., Southwest General Medical Group (formerly known as Oaktree Physicians, Inc.), and Southwest Community Health Foundation (collectively called the "Employer") in everyday language to help you understand your rights, benefits, and obligations under the Plan. It does not contain, however, all of the details of the Plan. These details are found in the official Plan documents. The Plan documents control in the event there is a conflict between this booklet and the Plan documents. We hope that you will find this information useful and will discuss it with your family. If you have any questions after reading this booklet, please contact the Plan Administrator.

II. History

A. 2009 Change of Benefit to Cash Balance Benefit Formula

Effective as of January 1, 2009, the formula for accruing benefits under the Plan was changed to a Cash Balance Benefit Formula for all Participants other than Rule of 75 Participants (defined below). Rule of 75 Participants continued to earn benefits under the plan formula in effect on December 31, 2008, and not under the cash balance formula. If you were not a Rule of 75 Participant as of December 31, 2008, your benefit earned under the Plan as of December 31, 2008 was frozen and will be paid in accordance with the terms of the Plan in effect prior to January 1, 2009.

B. 2015 Changes

Effective as of January 1, 2015, the formula for accruing benefits under the Plan was changed to a Cash Balance Benefit Formula for all Participants, including Rule of 75 Participants. As of January 1, 2015, all Participants earned benefits under only the cash balance formula, and the plan formula in effect on December 31, 2008 (or December 31, 2015 for Rule of 75 Participants) no longer applied to any Participants, including Rule of 75 Participants.

C. <u>2016 Changes</u>

Effective as of December 31, 2015, all benefits under the Plan were frozen, and no further benefits will be earned under the Plan for any Participants. No employees are eligible to become a Participant in the Plan on or after January 1, 2016.

III. <u>Words That Have Special Meanings</u>

Throughout this booklet you will read certain words whose exact meaning you should know. Keep in mind the following definitions. They will help you to better understand your benefits.

<u>Actuarial Assumption Interest Rate</u> – The interest rate on 10-year Treasury Constant Maturities for the fourth calendar month of the year immediately preceding the first day of the Plan Year. This applies to the Cash Balance Account.

<u>Annual Compensation</u> – Your annual compensation reported as wages on your W-2 Form for that calendar year and, if applicable, any amounts deducted under a salary reduction arrangement maintained by the Employer (such as elective deferrals to a 403(b) plan or a 401(k) plan, employee contributions to a section 125 cafeteria plan, and employee deferrals to a section 457 plan). Your Compensation excludes all distributions from and contributions to a non-qualified deferred compensation plan and excludes severance pay. Also, compensation in excess of the applicable legal limit ($265,000 for 2015, as adjusted in subsequent years for cost of living increases) will not be counted. No Compensation earned on or after January 1, 2016 is considered for any purpose under the Plan.

<u>Cash Balance Account</u> – A hypothetical Participant account to which allocations of your Compensation Credits and increases for the Actuarial Assumption Interest Rate are made. No Compensation Credits are allocated for any Plan Year beginning on or after January 1, 2016.

<u>Compensation Credits</u> – The credits made to a Cash Balance Account for eligible Participants who complete a Year of Service during the Plan Year. Compensation Credits are described in Section VIII. No Compensation Credits are allocated for any Plan Year beginning on or after January 1, 2016.

<u>Covered Compensation</u> – An average of the annual taxable wage bases under the Social Security Act over the 35-year period ending with the last day of the year of your Social Security Retirement Age (age 65 if you were born before 1938, age 66 if you were born between 1938 and 1954, and age 67 if you were born after 1954). Covered Compensation is divided by 12 for the purpose of calculating monthly retirement income. Section XXII contains the Covered Compensation table for 2008 and 2014. For all Participants other than Rule of 75 Participants, effective January 1, 2009, no adjustments to Covered Compensation will be made after December 31, 2008, and no changes in the Covered Compensation table for Plan Years beginning on and after January 1, 2009 shall be taken into consideration. For Rule of 75 Participants, effective January 1, 2015, no adjustments to Covered Compensation will be made after December 31, 2014, and no changes in the Covered Compensation table for Plan Years beginning on and after January 1, 2015 shall be taken into consideration.

Credited Annual Compensation – Computed by taking the total of your five highest full consecutive calendar years of compensation as an employee of the Employer out of your last ten calendar years of such employment, and dividing that amount by 5 (or, if less than 5, your full years of employment). Under the Plan, compensation is as reported on your W-2 Form for that calendar year, and, if applicable, any amounts deducted under a salary reduction arrangement maintained by the Employer (such as elective deferrals to a 403(b) plan or a 401(k) plan, employee contributions to a section 125 cafeteria plan, and employee deferrals to a section 457 plan). Your Compensation excludes all distributions from and contributions to a non-qualified deferred compensation plan, and excludes severance pay. If you have less than 1,000 Hours of Service in any calendar year, that year is ignored for the purpose of determining your Credited Annual Compensation. For part-time service, if Hours of Service are at least equal to 1,000, compensation is adjusted to the rate it would have been if you had completed a standard work year on a full-time basis (1800 hours). Also, for benefit calculations, compensation in excess of the applicable legal limit ($260,000 for 2014 as adjusted in subsequent years for cost of living increases) will not be counted. Your Credited Monthly Compensation is one-twelfth (1/12) of your Credited Annual Compensation. For all Participants other than Rule of 75 Participants, no Annual Compensation earned on or after January 1, 2009 will be considered for purposes of calculating Credited Annual Compensation or Credited Monthly Compensation. For Rule of 75 Participants, no Annual Compensation earned on or after January 1, 2015 shall be considered for purposes of calculating Credited Annual Compensation or Credited Monthly Compensation.

Employee – Any person in the employ of an Employer, between whom and the Employer the legal relationship of "employee" and "employer" exists. Such term shall exclude any person who is performing services for the Employer pursuant to an arrangement under which said individual is characterized as a leased employee, an independent contractor, consultant or any category or classification other than employee. Such person shall be excluded without regard to whether any determination by an agency, governmental or otherwise, or court concludes that such classification or characterization was in error, except to the extent participation by any such individual is necessary in order for the Plan to satisfy requirements of the Internal Revenue Code.

ERISA – The Employee Retirement Income Security Act of 1974, as amended.

Hour of Service – Generally, each hour for which you are paid, or entitled to payment, for the performance of employment duties for the Employer. Also, it is each hour for which you are paid, or entitled to payment, by the Employer on account of a period of time during which no employment duties are performed (such as vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence, or, effective January 1, 1992, Lack of Work Time). However, no more than 501 Hours of Service will be credited for any single, continuous period during which you are paid, or entitled to payment, by the Employer for other than the performance of employment duties.

In addition, an Employee who is absent from the Employer due to maternity or paternity (pregnancy, birth or adoption of a child) will be credited with up to 501 Hours of Service during such absence solely to avoid incurring a One-Year Break in Service.

Normal Retirement Age – The later of age 65 or the fifth anniversary of the day you became a Plan Participant.

Normal Retirement Date – The first day of the month on or after the date on which you attain Normal Retirement Age.

One-Year Break in Service – You incur a One-Year Break in Service if, during a calendar year, you are credited with less than 501 Hours of Service.

Participant – An Employee participating in the Plan. No Employee shall be eligible to become a Participant in the Plan on or after January 1, 2016.

Plan Year – A calendar year beginning January 1 and ending December 31.

Rule of 75 Participants – Those Participants whose age plus Years of Service equal or exceed 75 as of December 31, 2008.

Vested Cash Balance Benefit – Your accrued cash balance benefit multiplied by the vested percentage.

Year of Benefit Service – Benefit Service is used in calculating the amount of your pension benefit for benefits accrued prior to January 1, 2015 for Rule of 75 Participants and prior to January 1, 2009 for all Participants other than Rule of 75 Participants. No Years of Benefit Service are credited to any Participants on or after January 1, 2009 other than Rule of 75 Participants. For Rule of 75 Participants, no Years of Benefit Service are credited on or after January 1, 2015.

Benefit Service is determined as follows:

(1) For periods of employment on or after January 1, 1977, you will be credited with Years of Benefit Service as follows except that no Years of Benefit Service are credited to any Participants on or after January 1, 2009 other than Rule of 75 Participants, and no Years of Benefit Service are credited to Rule of 75 Participants on or after January 1, 2015:

(a) An active Participant will earn one Year of Benefit Service for each calendar year in which more than 1,800 Hours of Service are completed, with partial Benefit Service credited as follows:

Hours of Service	**Benefit Service**
Less than 1,000	0.00
1,000	.50
More than 1,000 but less than or equal to 1,200	.60
More than 1,200 but less than or equal to 1,400	.70
More than 1,400 but less than or equal to 1,600	.80
More than 1,600 but less than or equal to 1,800	.90
More than 1,800	1.00

(b) For the Plan Year of 1977, if you were eligible but failed to make employee contributions, you will not be credited with a Year of Benefit Service for the period beginning on January 1, 1977 and ending on July 31, 1977. However, your Benefit Service will equal .3 if you had at least 600 Hours of Service between August 1, 1977 and December 31, 1977.

(2) For periods of employment prior to January 1, 1977, your Years of Benefit Service equals your aggregate employment as an employee of the Employer from and after the date you became a Participant in the Plan. However, service will exclude any period you were eligible to participate but failed to make required contributions. In addition, any Years of Benefit Service credited to you before you terminated employment will be excluded, if your termination occurred prior to August 1, 1976 and you were not vested at that time.

(3) If you were a physician employed by Oaktree Physicians, Inc. (now known as Southwest General Medical Group), you will not be credited with Years of Benefit Service for employment prior to January 1, 1997, unless you were otherwise specified by the Board of Directors of Oaktree Physicians, Inc. to be credited with such Years of Benefit Service.

(4) See Section XI of this Summary Plan Description for additional service that will not be considered.

<u>Year of Eligibility Service</u> – Eligibility Service is used to determine your eligibility to become a Participant in the Plan. You will be credited with a Year of Eligibility Service if you complete at least 1,000 Hours of Service in a 12-consecutive-month computation period. The first computation period is your first year of employment with the Employer (which begins on your first day of work and ends on the first anniversary date of your employment). Thereafter, the computation period is the calendar year, beginning with the calendar year that includes your first anniversary date of employment. See Section XI of this Summary Plan Description for service that will not be considered. No Years of Eligibility Service shall be credited to an Employee on or after January 1, 2016.

<u>Year of Service</u> – Service is used to determine your eligibility for early retirement benefits, death benefits, deferred vested benefits upon termination of employment, calculation of Rule of 75 and Compensation Credits. Generally, for periods of employment on or after January 1, 1977, if you are credited with at least 1,000 Hours of Service during a calendar year, you will complete one Year of Service; otherwise no Year of Service will be earned for that calendar year. In addition, for periods of employment prior to 1977, if you terminated employment prior to August 1, 1976 and you did not have a vested interest in your benefit attributable to Employer contributions, any Years of Service credited to you prior to your termination of employment will be excluded. Also, for any period prior to January 1, 1977, if you failed to make required contributions, your Years of Service will be excluded. No Years of Service shall be credited on or after January 1, 2016 for purposes of Compensation Credits. See Section XI of this Summary Plan Description for service that will not be considered.

IV. Entry into the Plan

Prior to January 1, 2016, as an employee of the Employer, you were eligible to become a Participant in the Plan after you reached age 21 and completed one Year of Eligibility Service. The Employer automatically enrolled you in the Plan on the day after the date you met the eligibility requirements.

Any person employed by Southwest Community Health System, Southwest General Health Center, Southwest Holdings, Inc., Southwest General Medical Group, or Southwest Community Health Foundation on a salary or hourly basis was eligible to become a Plan Participant. However, prior to January 1, 1997, only certain physicians employed by Southwest General Medical Group (formerly known as Oaktree Physicians, Inc.) who were specified by the Board of Directors of Oaktree Physicians, Inc. were eligible to become Plan Participants.

No Employees are eligible to become a Participant in the Plan on or after January 1, 2016.

V. Contributions to Fund the Plan

The Employer pays all contributions required to this Plan. The Employer makes contributions to the Plan's trust fund to provide the Participants' benefits under the Plan. The amount of these contributions is based on the actuarial valuations of the Plan's independent consulting actuary. No Employee contributions are permitted under the plan.

VI. Plan Benefits

The Plan is a defined benefit pension plan. This means that a formula is used to calculate your monthly benefit. If you were a Rule of 75 Participant, the benefit you earned through December 31, 2014, was calculated as described below in Section VII and will be paid in accordance with Section VII. If you were not a Rule of 75 Participant, but you participated in the Plan prior to January 1, 2009, the benefit you earned through December 31, 2008 was calculated based on the formula described in Section VII and will be paid in accordance with Section VII. If you were not a Rule of 75 Participant, all benefits you earned on and after January 1, 2009 through December 31, 2015 were calculated under a cash balance formula in accordance with Section VIII below. In addition, if you were a Rule of 75 Participant, the benefits you earned from January 1, 2015 through December 31, 2015 were calculated under a cash balance benefit formula in accordance with Section VIII below.

VII. Rules Applicable to Frozen Retirement Income Benefits

The following provisions apply to all benefits accrued by Rule of 75 Participants prior to January 1, 2015 and to frozen benefits accrued prior to January 1, 2009 for other Participants.

A. Amount of Benefit

(1) **Normal Retirement Income -** Your calculated monthly pension depends on your Years of Benefit Service, Credited Monthly Compensation at retirement, and Social Security Covered Compensation in effect when the calculation is done. If you were not a Rule of 75 Participant, your Normal Retirement Income is based on your Years of Benefit Service, Credited Monthly Compensation and Covered Compensation as of December 31, 2008. If you were a Rule of 75 Participant, your Normal Retirement Income is based on your Years of Benefit Service, Credited Monthly Compensation and Covered Compensation as of December 31, 2014.

Your monthly Normal Retirement benefit equals:

1.28% of your Credited Monthly Compensation up to
your Covered Compensation

PLUS

1.92% of your Credited Monthly Compensation exceeding
your Covered Compensation,

AND THIS SUM IS MULTIPLIED BY

your Years of Benefit Service, up to a maximum of 35.

The above formula is effective for retirements on and after January 1, 1994. If you were a Participant in the Plan before January 1, 1994, a different formula was used. There is a special wear-away approach to introducing this new formula, which means that as an overall minimum your retirement benefit will equal your benefit as of December 31, 1993, plus an amount calculated under the new formula but using only service after 1993. However, your total Years of Benefit Service, including Benefit Service through December 31, 1993 under the old formula and Benefit Service from January 1, 1994 and after under the new formula, cannot exceed the 35-year maximum. In addition, if you were not a Rule of 75 Participant, this formula ceased to apply to you as of December 31, 2008, and if you were a Rule of 75 Participant, this formula ceased to apply to you as of December 31, 2014.

For example, if you retired during 2008 at age 65 and had 35 Years of Benefit Service and Credited Monthly Compensation of $5,000, then your monthly Normal Retirement benefit is:

1.28% of your Credited Monthly Compensation up to your Covered Compensation ($4,707, which is the monthly Covered Compensation of an individual who retires in 2008 and was born in 1943) (see the table in Section XXII)

1.28% × $4,707	=	$ 60.25

PLUS

1.92% of your Credited Monthly Compensation exceeding your Covered Compensation

1.92% × ($5,000 - $4,707)	=	$ 5.63
		$ 65.88

THIS SUM multiplied by your Years of Benefit Service, up to 35 years

$65.88 × 35	$ 2,305.80

But, under the wear-away approach, your benefit as of December 31, 1993 must also be considered. The amount of your accrued benefit will be the greater of the accrued benefit under the above formula or the accrued benefit calculated under the wear-away approach as explained above.

Also, as is explained in Subsection C, unless you elect otherwise, if you are a married associate your monthly benefit of $2,305.80 will be reduced and will be paid under the 50% contingent annuitant option with your spouse as the beneficiary. For example, if you were age 65 with a spouse age 62 in 2008, the $2,305.80 would be reduced to $2,174.83.

(2) **Late Retirement Income** – If you terminate employment and retire after your Normal Retirement Date, your calculated monthly benefit will be the greater of (i) the amount determined as in (1) above taking into account your Credited Monthly Compensation and Years of Benefit Service earned after your Normal Retirement Date, or (ii) the actuarial equivalent of your Normal Retirement Income calculated as of your Normal Retirement Date. If you were not a Rule of 75 Participant, your Late Retirement Income is based on your Years of Benefit Service, Credited Monthly Compensation and Covered Compensation as of December 31, 2008. If you were a Rule of 75 Participant, your Late Retirement Income is based on your Years of Benefit Service, Credited Monthly Compensation and Covered Compensation as of December 31, 2014.

(3) **Early Retirement Income** – If you terminate employment and retire before age 65 (but not before you attain age 55), your calculated monthly benefit will be determined as in (1) above based on your Credited Monthly Compensation and Years of Benefit Service up to the date of termination of employment. If you were not a Rule of 75 Participant, your Early Retirement Income will be based on

your Years of Benefit Service, Credited Monthly Compensation and Covered Compensation as of December 31, 2008. If you were a Rule of 75 Participant, your Early Retirement Income will be based on your Years of Benefit Service, Credited Monthly Compensation and Covered Compensation as of December 31, 2014. In addition, your benefit amount will be reduced to take into account the fact that benefits will be paid over a longer period of time. Your monthly benefit is multiplied by an early retirement adjustment factor based on your age when your monthly benefit begins before age 65:

Age at Which Benefit Begins	Multiply Your Monthly Benefit By
55	36.74%
56	40.36%
57	44.39%
58	48.88%
59	53.90%
60	59.51%
61	65.80%
62	72.88%
63	80.84%
64	89.83%
65	100.00%

When the benefit commencement age is between the whole ages shown above, the percentage paid is also between the factors shown for the whole ages. For example, at age 61½, which is halfway between 61 and 62, the factor would be 69.34%, which is halfway between 65.80% and 72.88%.

For example, suppose you retired in 2008 at age 62 with 27 Years of Benefit Service and Credited Monthly Compensation of $2,500. Your monthly Covered Compensation amount is $5,326. Assume in this example that calculating your accrued benefit under the wear-away approach does not produce a higher amount than under the current formula. Then your unadjusted calculated monthly benefit before the reduction for early commencement is:

$$1.28\% \times \$2{,}500 \times 27 \quad = \quad \$864.00$$

Your reduced monthly benefit beginning at age 62 is

$$\$864.00 \times 72.88\% \quad = \quad \$629.68$$

(4) **Deferred Vested Retirement Income** – If you terminate employment before you are eligible to retire but after you have completed three (3) Years of Service (five (5) Years of Service for Plan Years beginning prior to January 1, 2009), your Deferred Vested Retirement Income will be determined as in (1) above based on your Credited Monthly Compensation and Years of Benefit Service as of the date of termination of employment. If you were not a Rule of 75 Participant, your Deferred Vested Retirement Income is based on your Years of

Benefit Service, Credited Monthly Compensation and Covered Compensation as of December 31, 2008. If you were a Rule of 75 Participant, your Deferred Vested Retirement Income is based on your Years of Benefit Service, Credited Monthly Compensation and Covered Compensation as of December 31, 2014.

The Deferred Vested Retirement Income is payable at 65. However, you may begin to receive a reduced benefit as early as age 55. The reductions for early commencement are the same as those for the Early Retirement Income in (3) above. If you became a Plan Participant prior to January 1, 1994, you may begin to receive the portion of your benefit accrued as of December 31, 1993 in the form of a lump sum or an annuity, reduced for early commencement, as early as the month following your month of termination.

(5) **Disability Retirement Income –** Your Disability Retirement Income is calculated in the same manner as the Early Retirement Income described in (3) above, except that your Credited Monthly Compensation and Years of Benefit Service as of the date of termination of employment (or December 31, 2008, if earlier and you were not a Rule of 75 Participant, or December 31, 2014, if earlier and you were a Rule of 75 Participant) are used.

(6) **Spouse's Income** – If your surviving spouse is eligible for Spouse's Income, he or she will receive a monthly benefit equal to 50% of your monthly accrued benefit at your death (or termination of employment in the case of a former employee), computed as if you had retired on your earliest possible retirement date and had elected the 50% contingent annuitant option (as explained below) with your spouse as beneficiary. If your surviving spouse is eligible for the pre-retirement Spouse's Income, he or she will receive a monthly benefit equal to 50% of your monthly accrued benefit at your death (or termination of employment in the case of a former employee), computed as if (i) you had terminated employment on the date of your death, (ii) you had survived to age 55, (iii) you had retired with the 50% contingent annuitant option at age 55, and (iv) you had died the day after attaining age 55. The benefit is reduced for early commencement in the same manner as the Early Retirement Income and also reduced for the 50% contingent annuitant option based on your age and your spouse's age as of the date the benefit commences. Benefits continue until the death of your spouse.

B. Types of Benefits Available, Eligibility and Commencement Dates

There are six types of benefits available under the Plan with respect to payments of Retirement Income. The times you become eligible for these benefits and when payments begin are as follows:

(1) **Normal Retirement Income** – You become eligible for benefits upon retirement on or after your Normal Retirement Age. You may start receiving your Normal Retirement Income on your Normal Retirement Date. The Plan requires that you start receiving your benefit no later than April 1 of the year following the date you attain age 70½.

(2) **Late Retirement Income** – If you choose, you may continue to work for the Employer after your Normal Retirement Date. In this case, your Late Retirement Date will be the first day of the month falling on or after the date you terminate your employment with the Employer.

(3) **Early Retirement Income –** When you reach your Early Retirement Date, you may elect to retire early. Early Retirement Date is the first day of the month falling on or after the date you reach age 55, complete at least five (5) Years of Service and terminate your employment with the Employer, prior to reaching age 65. You may elect to commence your Early Retirement Income on the first day of any month on or after your Early Retirement Date but no later than your Normal Retirement Date.

(4) **Deferred Vested Retirement Income –** You become eligible for a nonforfeitable Deferred Vested Retirement Income payable at age 65 if you terminate your employment with at least three (3) Years of Service (five (5) Years of Service for Plan Years beginning prior to January 1, 2009) and are not eligible for any other retirement benefit under the Plan. However, you may elect to commence your benefit on the first of any month after you attain age 55 and prior to the first of the month following your Normal Retirement Date. Alternatively, if you were a Plan Participant on or before December 31, 1993, you may elect to commence distribution of that portion of your benefit that you are entitled to receive in a lump sum (as described below in C(6)) in the form of a lump sum or monthly annuity, reduced for early commencement, on the first day of the month following the month in which you terminate.

(5) **Disability Retirement Income** – If you have completed five (5) or more Years of Service, you may retire prior to your Normal Retirement Age if you terminate your employment because you have become disabled. For purposes of the Plan, you are disabled if you qualify for Federal Social Security disability benefits. Your Disability Retirement Income commences on the first day of the month following the later of: (a) six months after the occurrence of the disability, or (b) completion of payments under any group insurance disability plan provided by the Employer. In general, the payments will continue until your 65th birthday. If you continue to be disabled after attaining age 65, you will continue to receive Retirement Income equal to, and in the form of, the Disability Retirement Income you were receiving prior to age 65. Your Disability Retirement Income will stop upon your death, or if you are determined to no longer be disabled by the Social Security Administration prior to attaining age 65. The Plan Administrator may require you to furnish evidence of your continued disability. If you refuse or fail to submit satisfactory evidence as requested, your Disability Retirement Income will stop.

(6) **Spouse's Income** – Your spouse becomes eligible or the Spouse's Income under the following circumstances: (1) If you die while employed after becoming eligible for Early Retirement Income (age 55 and at least five (5) Years of Service) but before your Normal Retirement Age; (2) If you die, while employed, on or after attainment of your Normal Retirement Age and you have not waived the normal form of payment; or (3) If you die after you retire while eligible for normal, late or early retirement, but before your benefits commenced and you have not waived the normal form of payment.

Payment of the Spouse's Income benefit will begin as of the first day of the month following your date of death. If you die after you become eligible for a Deferred Vested Retirement Income but before you are eligible for Early Retirement Income, your spouse becomes eligible for the pre-retirement Spouse's Income. Payments of the pre-retirement Spouse's Income will begin on the first day of the month in which you would have reached age 55, or the first of the month following your death, if later.

C. Form of Benefit Payments and Election Periods

The Normal Retirement Income, Early Retirement Income, Deferred Vested Income and Disability Retirement Income amounts calculated in Section VII-A are based on the 5-Year Certain and Life Annuity form of payment.

If you are not married on your Retirement Date, your benefit will be paid automatically to you in the 5-Year Certain and Life Annuity form of payment unless you elect a different method of payment. If you are married on your Retirement Date, your benefit will be paid automatically as the 50% Contingent Annuitant Option with your spouse as your beneficiary, unless you elect, with your spouse's consent, to receive a different method of payment. Please note that an unmarried Participant eligible for Disability Retirement Income may only receive his or her Disability Retirement Income in the 5-Year Certain and Life Annuity form of payment.

You may elect not to receive the automatic form of payment by filing a written notice with the Plan Administrator using a specified form. In that event you may elect, as an alternate form of payment, one of the optional forms of payment explained below. You will receive a written explanation of the automatic form of payment applicable to you and a notification of your right to elect not to receive it. The explanation will supply you with specific information concerning the terms and conditions of your automatic form of payment and how your choice will affect the payment of your benefit. You must make your election not to receive the automatic form of payment during the 180-day period before payment of your benefit begins.

If you are married, your spouse must consent to your election not to receive the 50% Contingent Annuitant Option and to the optional form of payment you elect instead. Your written election must be signed by your spouse, indicating that he or she understands the effect of your election, and must be notarized by a notary public, or witnessed by a Plan representative.

You may change your election and resume the automatic form of payment at any time and any number of times before the end of the 180-day election period prior to your benefit commencement date.

Instead of the automatic forms of payment, other optional forms of payment are available to you. However, an unmarried Participant eligible for Disability Retirement Income may only receive the 5-Year Certain and Life Annuity Option.

(1) **5-Year Certain and Life Annuity Option –** Under this form of payment, a monthly payment is paid to you as long as you live or, if you die before receiving 60 monthly payments, to your beneficiary until 60 payments have been made. This is the automatic form of payment for an unmarried Participant. This is the only optional form of payment available to a married Participant eligible for Disability Retirement Income.

(2) **50% Contingent Annuitant Option** – Under this automatic form of payment for a married Participant, you will receive monthly payments during your lifetime. Upon your death, your spouse will receive reduced monthly payments (equal to 50% of the amount you were receiving) for the remainder of his or her lifetime. If your spouse dies before you, your monthly payments will be continued for your lifetime only. If you remarry after retirement, your new spouse will not be covered under this form of payment because the benefit was based upon the life expectancy of your prior spouse. Your calculated benefit will be actuarially reduced to reflect this form of payment. For example, if your calculated benefit is $100 a month and you retire at age 65, then, under this option, your actual monthly benefit is $93.61 if your spouse is age 60, $94.68 if age 63, $95.38 if age 65, and $96.40 if age 68.

(3) **Contingent Annuitant Option** – Under this option, you receive an actuarially reduced monthly pension, and after your death, your designated beneficiary will receive either 100%, 75% (effective January 1, 2008), or 50%, depending on your choice, of this reduced amount for the remainder of his (her) lifetime. Note that if you choose 100%, the reduction is greater than if you choose 75%, and if you choose 100% or 75%, the reduction is greater than if you choose 50%. In general, you can choose almost anyone to be your beneficiary; however, if you choose a beneficiary other than your spouse, your spouse must consent to this choice in writing before a notary public, or before a Plan representative.

(4) **Certain and Life Annuity Option** – Under this option, actuarially reduced monthly payments will be made for your lifetime with a certain number of payments guaranteed. You may elect a 10-year certain, with 120 payments guaranteed, or a 15-year certain, with 180 payments guaranteed. If you should die before the guaranteed number of payments is made, the remaining number will be paid monthly to your beneficiary. If you choose a beneficiary other than your spouse, your spouse must

consent to this choice in writing before a Notary Public, or before a Plan representative.

(5) **Straight Life Annuity Option** – Under this option, you receive an increased monthly payment, but it is payable only during your lifetime. If you choose this option, upon your death there is no death benefit payable to any beneficiary, and your spouse must consent to this choice in writing before a Notary Public, or before a Plan representative.

(6) **Lump Sum Option** – Under this option, you will receive your benefit in one lump sum payment. Choosing a lump sum payment is a very important decision because you lose the protection of a guaranteed lifetime income.

An Employee who became a Participant on or after January 1, 1994 <u>does not</u> have the Lump Sum Option available to him or her unless the lump sum value of your entire benefit is $5,000 or less. One exception is the Lump Sum Window that was available in 2015.

The lump sum is payable at termination of employment or, if elected, it may be deferred to the first of any month on or after your 55th birthday. Note, however, that if you terminated with Deferred Vested Retirement Income prior to January 1, 1990, you are only eligible to elect the Lump Sum Option after attaining age 55.

The Plan provisions regarding the Lump Sum Option were changed effective January 1, 1994. Your lump sum payment will be based in part on your benefit accrued as of December 31, 1993. In addition, you will receive a lump sum payment based on benefits earned on or after January 1, 1994, but this additional amount will be limited to a maximum payout of $25,000. Any benefits earned beyond that maximum amount will be paid in monthly payments at retirement on or after age 55. This “residual benefit” may be paid under any of the optional forms described above. However, if the residual benefit payable as the Participant’s automatic form of payment results in a monthly benefit of $25.00 or less, then the residual benefit will instead be paid as part of the lump sum payment.

The lump sum amount is computed by multiplying your benefit by an actuarial equivalence factor. Actuarial equivalence factors are determined using assumptions specified in the Internal Revenue Code. The assumptions include mortality rates and, prior to January 1, 2008, 30-year Treasury interest rates. Prior to January 1, 2008, these interest rates generally change each month, so your actual lump sum amount may be higher or lower than a prior estimate. Effective for distributions made on or after January 1, 2008, the interest rate shall be the rate designated by the Secretary of the Treasury for the month of September preceding the first day of the Plan Year which contains the date of distribution. For distributions occurring on or after January 1, 2008 and prior to January 1, 2009, the lump sum amount shall be the greater of the amount calculated based on the applicable interest rate for the month of September 2007 and the applicable interest rate as of the fourth calendar month preceding the date of the distribution.

If your lump sum payment is $5,000 or less at the time of your termination of employment, your benefit will automatically be paid as a lump sum payment. Also, Participants who are eligible to receive a lump sum payment under the Plan will be given the option of directly rolling over such distribution to another qualified retirement plan or a traditional IRA. Persons affected by this requirement will be given more information at the time of the distribution. Effective March 28, 2005, in the event you fail to elect in writing to receive this distribution directly or to have it rolled over into an IRA, and the amount does not exceed $1,000, the Trustee shall distribute your benefit to you. If the benefit exceeds $1,000 but does not exceed $5,000 and you fail to elect, the Trustee may establish an individual retirement account in your name and shall roll over your benefit into the IRA.

You will be notified by the Plan Administrator of your benefit amounts under the various optional forms of payment. You must elect in writing prior to the date of commencement of your benefit payments to select any of optional forms of payment. To name your designated beneficiary, you must also apply in writing to the Plan Administrator. For further details contact the Human Resource Department.

The Plan Administrator authorizes the Plan Trustee to issue benefit payment checks. All benefits are paid from the trust fund.

VIII. <u>Cash Balance Benefit</u>

A. Benefits Accrued for the Period Beginning January 1, 2009 and Ending December 31, 2015 with Respect to All Participants Other Than Rule of 75 Participants and With Respect to Rule of 75 Participants During the Period Beginning January 1, 2015 and Ending December 31, 2015 – CASH BALANCE BENEFIT

All benefits accrued for the period beginning January 1, 2009 and ending December 31, 2015 with respect to all Participants other than Rule of 75 Participants, and for Rule of 75 Participants during the period beginning January 1, 2015 and ending December 31, 2015, are based on Compensation Credits and an Actuarial Assumption Interest Rate.

Effective for the Plan Year beginning January 1, 2009 for Participants other than Rule of 75 Participants and effective for the Plan Year beginning January 1, 2015 for all Participants, the Employer credited to a Cash Balance Account maintained for each eligible Participant who completed a Year of Service during the Plan Year, a percentage of Annual Compensation based on Years of Service completed as of the last day of the Plan Year determined as follows:

Years of Service as of the Last Day of the Plan Year	Compensation Credit
Less than 11 Years of Service	3%
11 Years of Service but less than 21 Years of Service	4%
21 or more Years of Service	5%

The Company ceased making Compensation Credits for all Participants effective for the Plan Year beginning January 1, 2016. The Compensation Credits were credited as of the last day of each Plan Year.

In addition, each year, your Cash Balance Account is increased by an Actuarial Assumption Interest Rate equal to the interest rate on 10-year Treasury Constant Maturities for the fourth calendar month of the year immediately preceding the first day of the Plan Year.

Your Normal Retirement Benefit equals your Vested Cash Balance Benefit as of the date of actual retirement. Your Vested Cash Balance Benefit is determined in accordance with the following table:

Years of Service	Vested Percentage
Less than 3 years	0%
3 years or more	100%

B. Types of Benefits Available, Eligibility and Commencement Date

You may elect to receive your Vested Cash Balance Benefit at any time after you terminate employment.

Normal Retirement

If you terminate employment after attaining the later of age 65 or the fifth anniversary of the date you commenced participation in the Plan, you shall have a nonforfeitable right to a normal retirement benefit. Your normal retirement benefit equals your Vested Cash Balance Benefit as of your actual retirement.

Early Retirement

If you terminate employment after attaining age 55 and complete five (5) Years of Service while still in the employ of Employer, you shall have a nonforfeitable right to an early retirement benefit. Your early retirement benefit equals your Vested Cash Balance Benefit as of your actual retirement.

Late Retirement Date

Upon your Late Retirement Date (a date after your Normal Retirement Date), your retirement benefit shall equal your Vested Cash Balance Benefit as of your actual retirement. Such benefit shall commence as of such Late Retirement Date.

Deferred Vested Retirement

Upon termination of your employment with the Employer on or after January 1, 2009, for any reason other than death, your Vested Cash Balance Benefit shall be payable to you commencing as soon as administratively practicable after you terminate employment.

Disability Retirement

If you terminate employment with the Employer on or after January 1, 2009 as a result of your Disability prior to attaining your Normal Retirement Age or early retirement age, you shall be eligible for a disability benefit commencing as of the first day of the month next following such termination of employment. Such a disability benefit shall be equal to your Vested Cash Balance Benefit on the date you incur a Disability. Such benefit shall be nonforfeitable.

If it is subsequently determined that you are no longer Disabled, you shall no longer be entitled to disability benefits, and you shall only be entitled to such other benefits as may be provided under the Plan for which you may be eligible, reduced by the disability benefits paid.

Death

If you die prior to attainment of Normal Retirement Age while still in the employ of the Employer, your Vested Cash Balance Benefit will be paid to your spouse, or if you do not have a spouse or the surviving spouse provides a valid consent, to a designated Beneficiary. If you do not have a spouse, and you have not designated a beneficiary, on your death your benefit shall be paid to the following classes of takers, each class to take to the exclusion of all subsequent classes:

1. Your surviving spouse
2. Your lineal descendants, including adopted and stepchildren, per stirpes
3. Your surviving parents
4. Your estate

C. Form of Benefit Payments and Election Period

If you are married on the date distribution is to begin, the Vested Cash Balance Benefit will be paid in the form of a 50% Qualified Joint and Survivor Annuity, with your spouse as your beneficiary, unless you elect, with your spouse's consent, a different method of payment. If you are not married on the date your benefits are to begin, your Vested Cash Balance Benefit will be paid to you in a straight life annuity, with payments during your lifetime, unless you elect a different method of payment.

You will receive a written explanation of the automatic form of payment applicable to you and a notification of your right to elect not to receive it. The explanation will supply you with specific information concerning the terms and conditions of your automatic form of payment and how your choice will affect the payment of your benefit. You may elect not to receive the automatic form of payment by filing a written notice with the Plan Administrator using a specified form. In that event you may elect, as an alternate form of payment, one of the optional forms of payment explained below. You must make your election not to receive the automatic form of payment during the 180-day period before payment of your benefit begins.

If you are married, your spouse must consent to your election not to receive the 50% Qualified Joint and Survivor Annuity and to receive the optional form of payment you elect instead. Your written election must be signed by your spouse, indicating that he or she understands the effect of your election, and must be notarized by a notary public, or witnessed by a Plan representative. The following are the optional forms of benefit you may elect with respect to your Vested Cash Balance Benefit:

(1) Lump Sum Cash Payment – Payment of your Vested Cash Balance Benefit is made in a single cash payment.

(2) Straight Life Annuity – This option is available only for unmarried Participants. Under this option, you receive a monthly payment during your lifetime. On your death, no further payments are made.

(3) Qualified Joint and Survivor Annuity – This option is available only for married Participants. Under this option you receive an actuarially reduced monthly pension, and after your death, your spouse will receive a survivor annuity which is either 100%, 75%, or 50%, depending on your choice, of this reduced amount for the remainder of his (her) lifetime. Note that if you choose 100%, the reduction is greater than if you choose 75%, and if you choose 100% or 75%, the reduction is greater than if you choose 50%.

IX. Plan Administrator

Southwest General Health Center is the Plan Administrator. The Plan Administrator is responsible for the operation of the Plan and has the exclusive right to interpret the Plan provisions.

X. Filing a Claim for Benefits

When you terminate employment and are eligible for any of the benefits provided under the Plan, the Plan Administrator will notify you of the amount of your benefit and how to apply for it. The Plan Administrator is also responsible for the review of all claims and applications for benefits.

XI. Loss of Benefits

There are a number of situations that will cause you a loss or temporary cessation of your benefits. These are as follows:

(1) If you terminate employment prior to attaining eligibility for any retirement benefit under the Plan and before completing three (3) Years of Service (five (5) Years of Service for Plan Years prior to January 1, 2009) and you are never reemployed by the Employer, then all benefits will be lost.

(2) Years of Service, including Benefit Service and Eligibility Service, prior to the commencement of a One-Year Break in Service are disregarded until you complete a Year of Service following the One-Year Break in Service.

(3) If you incur a One-Year Break in Service and you are not vested in your benefit under the Plan and you are re-employed by the Employer, you may have all of your Years of Service and Years of Benefit Service (if applicable) restored. This will happen if the period of your One-Year Breaks in Service is less than your Years of Service at the beginning of the One-Year Breaks in Service or, if greater, five (5) years. If not, your prior Years of Service, Years of Benefit Service (if applicable) and Years of Eligibility Service are lost.

(4) If you are entitled to Deferred Vested Retirement Income and are then re-employed by the Employer, your prior Years of Service and Years of Benefit Service will be reinstated in lieu of your Deferred Vested Retirement Income, unless you elected the Lump Sum Option. If you elected the Lump Sum Option, then your Years of Service will be reinstated but your Years of Benefit Service will not be reinstated, except in determining the 35-year limit on your Years of Benefit Service.

However, under certain circumstances, you may be able to repay to the Plan the amount that was paid to you under the Lump Sum Option, plus interest, to reinstate your Years of Benefit Service. **If you received payment under the Lump Sum Option and later you are re-employed by the Employer, please contact the Plan Administrator to determine whether or not you may reinstate your Years of Benefit Service. In no event will you be permitted to elect, upon subsequent termination of Employment, the lump sum cash payment option.**

(5) Your monthly benefit will cease if, after retirement, you are subsequently re-employed by the Employer for at least 40 Hours of Service during any month. When you retire again, your benefit will be redetermined considering any new benefit earned but will be offset for benefits paid.

(6) If you were to receive Disability Retirement Income and either recovered, or refused to take a medical examination when requested by the Employer prior to attainment of Normal Retirement Age, your benefits would be discontinued. If you are not re-employed by the Employer, any benefits that may be available to you will be based upon your then current age and the service you had as of the date you became disabled.

(7) With respect to Retirement Income benefits, if you die after you have begun to receive a benefit, then benefits payable after your death will depend upon the form of the payment you elected. If you die prior to the time when your benefits are to commence, then in general the only benefits payable will be the benefit under the Spouse's Income described in Section VII.

(8) You will not begin to receive your benefit until you have made the appropriate application for it.

(9) If you continue your employment past your Normal Retirement Date, in general, no benefit payments will be made to you until you actually do retire.

XII. Claims Review

If you disagree with the Administrator's decision as to your eligibility and/or benefits, you must file a written claim with the Administrator. The Plan requires the Administrator to submit to you in writing its adverse determination as to any claim within 90 days from the date your claim is received (which period may be extended an additional 90 days because of special circumstances). This writing must furnish a basic explanation of the Administrator's reasons for denying the claim, inform you if any additional information or material is needed to perfect your claim; and inform you of your right to appeal the adverse determination. If no notice of denial is rendered within the 90-day period, as and if extended, your claim is deemed denied and you may proceed to the review procedure.

You have 60 days after receipt of an adverse determination to make a written request to the Administrator for a review of the claim. If written request is not made within the 60-day period, the determination of the Administrator shall be final and conclusive. The Administrator's written decision on review shall be made and furnished to you in writing within 60 days after you have made your written request (which period may be extended an additional 60 days because of special circumstances). If no decision is rendered within the 60-day period, as and if extended, your claim is deemed denied.

In the case of a claim for benefits due to a disability, the Administrator must submit to you in writing its adverse determination within 45 days from the date your claim is received. This period may be extended by the Administrator for up to 30 days, provided that the Administrator both determines that such an extension is necessary due to matters beyond the control of the Administrator and notifies you, prior to the expiration of the initial 45-day period, of the circumstances requiring the extension of time and the date by which the Administrator expects to render a decision. If, prior to the end of the first 30-day extension period, the Administrator determines that, due to matters beyond the control of the Administrator, a decision cannot be rendered within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Administrator notifies you, prior to the expiration of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the Administrator expects to render a decision. This writing must furnish a basic explanation of the Administrator's reasons for denying the claim, inform you if any additional information or material is needed to perfect your claim; and inform you of your right to appeal the adverse determination to the Administrator. If no notice of denial is rendered within the 45-day period, as and if extended, your claim is deemed denied and you may proceed to the review procedure.

You have 180 days after receipt of an adverse decision relating to a claim for benefits due to disability under the Plan to make a written request to the Administrator for a review of the claim. If written request is not made within the 180-day period, the determination of the Administrator shall be final and conclusive. The Administrator's written decision on review shall be made and furnished to you in writing within 45 days after you have made your written request (which period may be extended an additional 45 days because of special circumstances). If no decision is rendered within the 45-day period, as and if extended, your claim is deemed denied.

You may not pursue other legal remedies with respect to denial of a claim unless and until you have exhausted all procedures set forth in the Plan. No legal action for recovery of benefits allegedly due under the Plan may be commenced by you or on your behalf against the Plan, the Administrator, the Employer or the Trustee, or any other plan fiduciary unless it is filed within two (2) years of the date of the final determination by the Administrator.

XIII. <u>Your Rights Under the Employee Retirement Income Security Act of 1974</u>

As a Participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

(1) Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites, all documents governing the Plan, including insurance 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.

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

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

(4) Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age and if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit 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.

Enforce Your Rights

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 Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan 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, you may file suit in Federal court. If it should happen that Plan 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. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have questions about your Plan, you should contact the Plan 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 Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in you 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.

XIV. <u>Pension Benefit Guaranty Corporation</u>

Your pension benefits under this Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. If the Plan terminates (ends) without enough money to pay for all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) normal and early retirement benefits, (2) disability benefits if you become disabled before the Plan terminates, and (3) certain benefits for your survivors.

The PBGC guarantee does not cover: (1) benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates, (2) some or all of the benefit increases and new benefits based on Plan provisions that have been in place for fewer than five (5) years at the time the Plan terminates, (3) benefits that are not vested because you have not worked long enough for your Employer, (4) benefits for which you have not met all of the requirements at the time the Plan terminates, (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than you monthly benefit at the Plan's normal retirement age, and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your Plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to

202-236-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

XV. Plan Amendment and Plan Termination

The Employer intends to continue the Plan indefinitely, but must reserve the right to amend the Plan, to change the method of providing benefits, or to terminate the Plan. The Employer may decide to amend the Plan at any time. In such a case, you will be notified of any changes that may affect you. Remember, however, that no amendment will be made to the Plan that would deprive you, any retiree or any survivor of any rights or benefits you had already earned before such amendment or change was made. Under the law, no amendment or change can be made that would divert any part of the Plan's Trust Fund to a purpose other than for the exclusive benefit of you or your survivors until all earned benefits have been provided for.

If the Plan has to be terminated, you will automatically become 100% vested in the benefit you had already earned as of the Plan's termination date. This is true regardless of how much service you may have had in the Plan at that time.

Whether you eventually receive all or part of your Plan benefit depends on whether there is enough money in the pension fund to pay for it, and, if not, whether the benefit is insured by the Pension Benefit Guaranty Corporation (PBGC). (See the preceding discussion on the PBGC in Section XIII.) The law sets priorities as to how the money in the pension fund will be used to provide Plan benefits after Plan termination. The money will be used to provide the following benefits in the order as listed below, until the money is used up:

First - Benefits for those who have received Plan benefits for at least three years before the termination date, and then for those who could have started receiving benefits at least three (3) Years before the termination date. Benefits in these instances will be based on any Plan provision in effect during the five years prior to termination that would produce the lowest amount. In addition, the maximum for those who have received benefits for at least three years would be based on the lowest benefit payment received during that three-year period.

Second - All other benefits which are insured by the Pension Benefit Guaranty Corporation.

Third - Vested benefits that are not insured by the Pension Benefit Guaranty Corporation.

Last - Any other benefits earned in the Plan. This includes those benefits that became vested only because of Plan termination.

XVI. Miscellaneous

Nothing contained in the Plan and this Summary Plan Description shall be construed as a contract of employment or a guarantee of future employment with the Employer.

XVII. Assignment of Benefits

The money in the Trust Fund is used exclusively to provide benefits to you and your survivors while the Plan continues. It cannot be used for any other purpose. This applies both to the Employer and to you, because you cannot assign, transfer or attach your benefits nor use them as collateral for a loan.

One exception to this rule is made in the case of a qualified domestic relations order. A "qualified domestic relations order" is a court order assigning part or all of your benefit to your spouse, former spouse, child or dependent. The domestic relations order must meet certain requirements to be "qualified" and the Plan Administrator will notify you upon receipt of a domestic relations order regarding your benefit. You may request a copy of the Plan's procedures governing qualified domestic relations orders by contacting the Plan Administrator. These procedures will be provided free of charge.

XVIII. Plan Documents

This Summary Plan Description has been written to help you better understand your Plan and inform you of your rights under ERISA. Please refer to the official Plan documents for more detailed information. IN THE EVENT THAT THERE IS A CONFLICT BETWEEN THIS SUMMARY PLAN DESCRIPTION AND THE PLAN DOCUMENTS, THE PLAN DOCUMENTS WILL GOVERN.

You are entitled to examine the formal Plan and Trust Agreement, as well as the Plan Annual Report, as soon as it has been filed with the Secretary of Labor. Please contact the Human Resources Department if you desire to do so. Copies of these documents are available at a small charge.

XIX. Top Heavy Provisions

The Internal Revenue Code requires that under certain circumstances retirement plans must provide minimum benefits and a special vesting schedule. These requirements take effect if a plan becomes "top heavy." A top-heavy plan is one in which a large portion of the plan benefits are payable to officers and highly paid employees.

This Plan is not a top-heavy plan nor do we expect it to become one. If, however, the Plan becomes a top-heavy plan for one or more Plan Years, the current vesting schedule already complies with top-heavy vesting requirements.

XX. Employee Contributions

Prior to August 1, 1977, employees were required to make contributions to the Plan as a condition of participation. No further employee contributions were accepted after July 31, 1977. These contributions with interest provide minimum retirement income and death benefits.

XXI. Other Information

(1)	Plan Sponsor	Southwest Community Health System 18697 Bagley Road Middleburg Heights, Ohio 44130 Telephone: (440) 816-8000
(2)	Plan Administrator and Agent for Service of Legal Process (legal process may also be served on the Plan Trustee)	Southwest General Health Center 18697 Bagley Road Middleburg Heights, Ohio 44130 Telephone: (440) 816-8000
(3)	Plan Trustee (Effective June 1, 2016)	The Bank of New York Mellon BNY Mellon Center 500 Grant Street Pittsburgh, PA 15258
(4)	Official Plan Name and Type of Plan	Southwest Retirement and Cash Balance Plan Defined Benefit Pension Plan
(5)	Plan Number	001
(6)	Employer Identification Number for Plan Sponsor	34-1455141
(7)	Plan Year	January 1 through December 31
(8)	Employers Participating in Plan	Southwest Community Health System Southwest General Health Center (34-0753531) Southwest Holdings, Inc. (34-1461753) Southwest General Medical Group (34-1652755) Southwest Community Health Foundation (34-1455135)

XXII. Covered Compensation Table – 2008

	Covered Compensation for 2008	
Calendar Year Of Birth	**Monthly**	**Annual**
1938	3,666	43,992
1939	3,862	46,344
1940	4,068	48,816
1941	4,279	51,348
1942	4,496	53,952
1943	4,707	56,484
1944	4,916	58,992

	Covered Compensation for 2008	
Calendar Year Of Birth	**Monthly**	**Annual**
1945	5,123	61,476
1946	5,326	63,912
1947	5,527	66,324
1948	5,715	68,580
1949	5,897	70,764
1950	6,069	72,828
1951	6,235	74,820
1952	6,392	76,704
1953	6,545	78,540
1954	6,694	80,328
1955	6,975	83,700
1956	7,111	85,332
1957	7,240	86,880
1958	7,360	88,320
1959	7,476	89,712
1960	7,587	91,044
1961	7,692	92,304
1962	7,791	93,492
1963	7,888	94,656
1964	7,982	95,784
1965	8,069	96,828
1966	8,149	97,788
1967	8,219	98,628
1968	8,280	99,360
1969	8,332	99,984
1970	8,372	100,464
1971	8,408	100,896
1972	8,442	101,304
1973	8,470	101,640
1974	8,489	101,868
1975 or later	8,500	102,000

Notes: Based on $ 102,000 for 2008 and future years
Uses 35 years for all years of birth

Includes wage base for year in which Social Security Retirement Age is attained. Wage base is assumed to remain constant in future years.

XXIII. Covered Compensation Table - 2014

	Covered Compensation for 2014	
Calendar Year Of Birth	**Monthly**	**Annual**
1938	3,666	43,992
1939	3,862	46,344
1940	4,068	48,816
1941	4,279	51,348
1942	4,496	53,952
1943	4,719	56,628
1944	4,939	59,268
1945	5,157	61,884
1946	5380	64,560
1947	5609	67,308
1948	5833	69,996
1949	6050	72,600
1950	6257	75,084
1951	6459	77,508
1952	6652	79,824
1953	6841	82,092
1954	7025	84,300
1955	7378	88,536
1956	7550	90,600
1957	7714	92,568
1958	7870	94,440
1959	8022	96,264
1960	8168	98,016
1961	8310	99,720
1962	8444	101,328
1963	8577	102,924
1964	8706	104,472
1965	8829	105,948

	Covered Compensation for 2014	
Calendar Year Of Birth	**Monthly**	**Annual**
1966	8945	107,340
1967	9050	108,600
1968	9147	109,764
1969	9235	110,820
1970	9311	111,732
1971	9382	112,584
1972	9452	113,424
1973	9516	114,192
1974	9570	114,840
1975	9617	115,404
1976	9652	115,824
1977	9677	116,124
1978	9701	116,412
1979	9725	116,700
1980	9742	116,904
1981 and Later	9750	117,000

Notes: Based on $117,000 for 2014 and future years

Uses 35 years for all years of birth

Includes wage base for year in which Social Security Retirement Age is attained. Wage base is assumed to remain constant in future years.

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