Jewish Hospital & St. Mary’s HealthCare
Cash Balance Plan
Summary Plan Description

March 2018
<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>At-a-Glance</td>
<td>1</td>
</tr>
<tr>
<td>How to Participate</td>
<td>2</td>
</tr>
<tr>
<td>Naming a Beneficiary</td>
<td>2</td>
</tr>
<tr>
<td>Some Facts about Service</td>
<td>3</td>
</tr>
<tr>
<td>Eligibility Service</td>
<td>3</td>
</tr>
<tr>
<td>Vesting Service</td>
<td>3</td>
</tr>
<tr>
<td>Credited Service</td>
<td>6</td>
</tr>
<tr>
<td>Breaks in Service</td>
<td>6</td>
</tr>
<tr>
<td>Special Situations</td>
<td>7</td>
</tr>
<tr>
<td>Transferred Team Members</td>
<td>8</td>
</tr>
<tr>
<td>How the Plan Works</td>
<td>8</td>
</tr>
<tr>
<td>Pay Credits</td>
<td>9</td>
</tr>
<tr>
<td>Interest Credits</td>
<td>10</td>
</tr>
<tr>
<td>Match Credits</td>
<td>10</td>
</tr>
<tr>
<td>How Your Account Grows</td>
<td>11</td>
</tr>
<tr>
<td>Transition Credits</td>
<td>13</td>
</tr>
<tr>
<td>Grandfathered Benefit</td>
<td>14</td>
</tr>
<tr>
<td>Your Year of Termination or Retirement</td>
<td>14</td>
</tr>
<tr>
<td>When You Can Receive Your Benefit</td>
<td>15</td>
</tr>
<tr>
<td>If You Retire</td>
<td>15</td>
</tr>
<tr>
<td>If You Continue to Work Past Age 65</td>
<td>15</td>
</tr>
<tr>
<td>If You Leave JHSMH</td>
<td>15</td>
</tr>
<tr>
<td>Pre-retirement Survivor Benefits</td>
<td>16</td>
</tr>
<tr>
<td>If You Become Disabled</td>
<td>17</td>
</tr>
<tr>
<td>Death During Qualified Military Service</td>
<td>17</td>
</tr>
<tr>
<td>Your Payment Options</td>
<td>18</td>
</tr>
<tr>
<td>Applying for Benefits</td>
<td>18</td>
</tr>
<tr>
<td>Receiving Payments</td>
<td>19</td>
</tr>
<tr>
<td>Payment Options</td>
<td>20</td>
</tr>
<tr>
<td>Payment and Benefit Accrual Restrictions Based on Plan Funding</td>
<td>21</td>
</tr>
<tr>
<td>If You Are Re-employed</td>
<td>22</td>
</tr>
<tr>
<td>Keeping Track of Your Account</td>
<td>23</td>
</tr>
<tr>
<td>Keeping Our Records Up to Date</td>
<td>23</td>
</tr>
<tr>
<td>Situations Affecting Your Plan Benefits</td>
<td>24</td>
</tr>
<tr>
<td>Important Facts about Your Plan</td>
<td>25</td>
</tr>
<tr>
<td>Claims Review and Appeals Procedures</td>
<td>26</td>
</tr>
<tr>
<td>Legal Actions</td>
<td>27</td>
</tr>
<tr>
<td>Implied Promises</td>
<td>27</td>
</tr>
<tr>
<td>Pension Insurance</td>
<td>28</td>
</tr>
<tr>
<td>Plan Amendment or Termination</td>
<td>29</td>
</tr>
<tr>
<td>Mergers, Consolidations or Transfers</td>
<td>29</td>
</tr>
<tr>
<td>If the Plan Becomes Top-Heavy</td>
<td>29</td>
</tr>
<tr>
<td>Maximum Retirement Benefits</td>
<td>29</td>
</tr>
<tr>
<td>Limitations on Rights</td>
<td>29</td>
</tr>
<tr>
<td>Your Rights under ERISA</td>
<td>30</td>
</tr>
</tbody>
</table>
Most people don’t plan ahead for retirement—but should. Most of us will spend more than one quarter of our lives “retired.” The Jewish Hospital & St. Mary’s HealthCare (JHSMH) Pension Plan—called the Cash Balance Plan—will help you build a source of income for retirement in addition to your 401(k) plan, Social Security, and your own savings.

This plan is designed to pay a benefit after you retire, but you can actually begin receiving benefits from the plan whenever you leave employment with JHSMH and its affiliated organizations as long as you are vested. The amount of your benefit is based on your years of service, your pay, your prior contributions to the 403(b) plan previously maintained by JHSMH which has been merged into the Catholic Health Initiatives ERISA Savings Plan, and interest rates during your participation in the Cash Balance Plan. The way you choose to receive the benefit—as an annuity or in a lump sum—affects your payment amount.

**Effective December 31, 2009, the Cash Balance Plan was frozen in its entirety. As a result, no further pay credits or credited service will be credited to your account for any period and no new participants will be eligible to participate in the Cash Balance Plan after December 31, 2009. If, effective December 31, 2009, you were a participant in the Cash Balance Plan, you will be eligible to continue to accrue vesting credits. Effective January 1, 2017, each actively employed participant in the Cash Balance Plan was fully vested in his or her account balance.**

**At-a-Glance**

- For years prior to January 1, 2010, JHSMH credited your account with pay credits each year equal to a percentage of your pay.
- Like savings in a bank account, your account balance will grow with interest.
- If you contributed to the 403(b) plan, JHSMH matched a percentage of your contributions. These “match credits” were added to your Cash Balance Plan account through December 31, 2008. Effective January 1, 2009, all new matching contributions were added to your JHSMH 403(b). Your previous matching contributions will remain in the Cash Balance Plan.
- You become fully vested in your account balance after three years of service. Effective, January 1, 2017, all actively employed participants became 100% vested in their account balances in the Cash Balance Plan.
- Your account is “portable”—once you are vested, you can take your account balance with you when you leave. Or, you can leave it in the Cash Balance Plan to continue earning interest until a later date.
• When you retire or leave JHSMH, you choose how to receive your benefits—either in a lump sum or in monthly payments.
• This is a Summary Plan Description of the Jewish Hospital & St. Mary’s HealthCare Pension Plan (the Cash Balance Plan). This booklet summarizes the Cash Balance benefits and benefits under the old plan formula, including special grandfathered benefits (See Appendix B). If there is any difference between the language in this booklet and that in the formal plan documents, the provisions of the formal plan documents will prevail.

How to Participate

Effective after December 31, 2009, no new participants will be eligible to participate in the Cash Balance Plan.

You automatically start participating in the Cash Balance Plan on the June 30 or December 31 on or after your first 12 months of employment, or any subsequent plan (calendar) year in which you complete at least 1,000 hours of service. At that time, your benefits are calculated retroactively from your date of hire.

You are not eligible to participate in the plan if you are:

• covered by a collective bargaining agreement (unless such agreement specifically provides for participation in the plan);
• a leased team member;
• a non-resident alien who is not on a U.S.-based payroll; or
• an independent contractor.

Naming a Beneficiary

Your beneficiary is the person who will receive your account balance if you die before you begin receiving payments from the plan.

Your beneficiary may be a trust or any person you designate. However, you may not name more than one person or trust as your primary beneficiary. You may want to consult with a lawyer or tax professional to better understand the legal and tax consequences of your designation. The following rules apply:
If you are married, your spouse is the beneficiary of your Cash Balance Plan account. If you would like to elect someone other than your spouse, you must provide your spouse’s signed consent, witnessed by a notary public.

If you are single, you may name anyone as your beneficiary. However, if you later marry, your spouse will automatically become your beneficiary, regardless of your previous election. You may then designate another beneficiary with your spouse’s consent, as described above.

If you do not name a beneficiary, or if your beneficiary dies before you do and you do not designate a new or contingent beneficiary, your benefit will be paid to your spouse or, if there is no spouse, to your estate.

Some Facts about Service

The Cash Balance Plan considers three types of service: eligibility service, vesting service, and credited service, each determined by your hours of service. An hour of service is any hour for which you are:

- directly paid (or entitled to be paid) for active employment with JHSMH;
- entitled to pay from JHSMH even though you are not performing the duties of your job, including hours while you are on vacation, holiday, layoff, U.S. military service, jury duty, or company-approved leave of absence or are disabled due to injury or illness (limited under some circumstances to 501 hours); or
- on unpaid maternity/paternity leave (limited to 501 hours).

Eligibility Service

Eligibility service determines when you can participate in the plan, and is measured by your employment with JHSMH. You become a participant if you work 1,000 hours during your first 12 months of employment. You can also become a participant by working 1,000 hours in any subsequent plan year (calendar year). Once you become a participant, you will continue to participate until you leave JHSMH.

Effective after December 31, 2009, no further eligibility service will be earned as no new participants will be eligible to participate in the Cash Balance Plan.

Vesting Service

Vesting service determines whether you are entitled to a benefit under the plan. You will automatically become 100% vested when you complete three years of vesting service, or reach age 65 as an active
team member. Note that if you terminated employment before 2008, you needed five years of vesting service to become fully vested.

**Effective January 1, 2017, all actively employed participants in the plan became 100% vested in their account balance.**

Effective January 1, 2017, vesting service is measured under the elapsed time method for all service performed on or after January 1, 2017. Under the elapsed time method, you earn a year or years of vesting service based on the aggregate number of days, months and years you are employed by a participating company after December 31, 2016 through the date your employment with a participating company is terminated or, if earlier, the twelve-month anniversary of the date you were first absent from employment with a participating company.

With regard to Vesting Service after December 31, 1992 and before January 1, 2017, you generally earned a year of vesting service for each plan year after December 31, 1992 and before January 1, 2017 in which you worked 1,000 hours for a participating company.

Before 1993, you received vesting service for the number of months you worked for a participating company. Participating companies include the following:

<table>
<thead>
<tr>
<th>Participating Company</th>
<th>Date of Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jewish Hospital</td>
<td>January 1, 1969</td>
</tr>
<tr>
<td>Jewish Hospital HealthCare Services, Inc.</td>
<td>June 16, 1983</td>
</tr>
<tr>
<td>Jewish Hospital Foundation</td>
<td>June 16, 1983</td>
</tr>
<tr>
<td>Skycare, Inc.</td>
<td>June 16, 1983</td>
</tr>
<tr>
<td>Outpatient Care Center (formerly JH Ambulatory Services, Inc.)</td>
<td>January 1, 1985</td>
</tr>
<tr>
<td>JH Properties</td>
<td>January 1, 1991</td>
</tr>
<tr>
<td>Four Courts Senior Center</td>
<td>January 1, 1994</td>
</tr>
<tr>
<td>Frazier Rehabilitation Center (a.k.a. Amelia Brown Frazier Rehabilitation Center)</td>
<td>January 1, 1995</td>
</tr>
<tr>
<td>Visiting Nurse Association</td>
<td>January 1, 1997</td>
</tr>
<tr>
<td>MedGroup Management, Inc.</td>
<td>July 1, 2003</td>
</tr>
<tr>
<td>Haller, Hazwett &amp; Adams</td>
<td>January 1, 2005</td>
</tr>
<tr>
<td>Family Practice Associates</td>
<td>April 11, 2005</td>
</tr>
<tr>
<td>Oak Street</td>
<td>August 22, 2005</td>
</tr>
<tr>
<td>Jewish Hospital &amp; St. Mary's Healthcare (other than the CARITAS Group*)</td>
<td>November 1, 2005</td>
</tr>
<tr>
<td>CARITAS Group*</td>
<td>January 1, 2006</td>
</tr>
<tr>
<td>Jewish Hospital Shelbyville</td>
<td>January 1, 2006</td>
</tr>
<tr>
<td>SEMC</td>
<td>January 1, 2006</td>
</tr>
<tr>
<td>AIM</td>
<td>January 1, 2006</td>
</tr>
<tr>
<td>Dr. Venhoff</td>
<td>June 1, 2006</td>
</tr>
<tr>
<td>Participating Company</td>
<td>Date of Participation</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Louisville Heart Specialists</td>
<td>September 1, 2006</td>
</tr>
<tr>
<td>Louisville Heart Specialists Doctors</td>
<td>November 19, 2006</td>
</tr>
<tr>
<td>Fox and Simon</td>
<td>December 10, 2006</td>
</tr>
<tr>
<td>Louisville Neurology Associates</td>
<td>January 1, 2007</td>
</tr>
<tr>
<td>Kentuckiana Adult Medicine</td>
<td>December 1, 2007</td>
</tr>
<tr>
<td>Medical Center Anesthesia</td>
<td>January 1, 2008</td>
</tr>
<tr>
<td>Orthopedics Assoc.</td>
<td>January 1, 2008</td>
</tr>
<tr>
<td>Kyana Colon &amp; Rectal Surgery</td>
<td>February 1, 2008</td>
</tr>
<tr>
<td>Shelby Family Practice</td>
<td>July 1, 2008</td>
</tr>
<tr>
<td>Medical Center Cardiology</td>
<td>July 1, 2008</td>
</tr>
<tr>
<td>Louisville Medical Associates</td>
<td>December 1, 2008</td>
</tr>
<tr>
<td>Dr. Marcia Ebbs</td>
<td>December 1, 2008</td>
</tr>
<tr>
<td>Thorasic &amp; Vascular Associates</td>
<td>January 1, 2009</td>
</tr>
<tr>
<td>Shea Group</td>
<td>February 1, 2009</td>
</tr>
<tr>
<td>Medichieve Associates</td>
<td>April 1, 2009</td>
</tr>
<tr>
<td>Carroll Sheth &amp; Raghaven (Jewish Cancer Center)</td>
<td>July 6, 2009 (first portion of group)</td>
</tr>
<tr>
<td>Kehrer Family Medicine (78230)</td>
<td>August 1, 2009</td>
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</tbody>
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*The CARITAS Group includes the following former members of CARITAS Health Services:

- Sts. Mary & Elizabeth Hospital (formerly, CARITAS Medical Center);
- Our Lady of Peace (formerly, CARITAS Peace Center);
- Nazareth Home Health Services (formerly, CARITAS Home Health Services);
- CARITAS Surgery Center;
- CARITAS Physician Group;
- CARITAS Jefferson Memorial;
- CARITAS Health Fitness; and
- CARITAS Occupational Medicine.

Vesting service is also provided for employment before 1995 with Amelia Brown Frazier Rehabilitation Center, for employment before 1997 with Visiting Nurse Association, for employment before 2005 for Haller, Hazwett & Adams, Family Practice Associates, and Oak Street, and for employment before 2006 with the CARITAS Group and Jewish Hospital Shelbyville.

For participants who were employees of JHSMH as of December 31, 2011 and are transferred to Catholic Health Initiatives, Saint Joseph Healthcare System, Inc., Flaget Healthcare Inc. or JH Properties, Inc. ("KSN Entities"), the participants' employment time with the KSN Entities following transfer of employment will be counted for purposes of vesting service.
Credited Service
Credited service is used to determine your benefit amount under the “old plan” (in effect before January 1, 2000). Certain team members may continue to earn benefits under the old plan formula for service after January 1, 2000. (See Appendix B for information about the application of credited service under the “old plan.”)

*Effective after December 31, 2009, no further credited service will be earned under the “old Plan.”*

Breaks in Service
The date you stop earning service is called a break in service. If you have a break in service and don’t complete more than 500 hours of service within the plan year in which your break begins or in a subsequent plan year, you have a “one-year break in service.”

No one-year breaks in service will occur while you are earning vesting service for an approved paid or unpaid leave, on disability, or serving with the military, as described below.

If you are away from work because of a maternity or paternity leave, you can, under certain circumstances, avoid incurring a one-year break in service. Before you take a maternity or paternity leave, you should contact the plan administrator to determine if you will incur a one-year break in service. For purposes of the plan, maternity or paternity leave includes time you are absent from work due to:

- Pregnancy;
- the birth of your child;
- placement of a child with you in connection with adoption; and/or
- your care of a child immediately after birth or placement for adoption.

If you terminate employment with JHSMH and later return to work:

- your vesting service, credited service, and points (age plus years of vesting service) earned before your break in service will be restored, regardless of the length of your break in service, if you were vested before the break or you had fewer than five consecutive one-year breaks in service.
- your vesting service, credited service and points (age plus years of vesting service) will not be restored if you were not vested and you had five or more consecutive one-year breaks in service.
For participants who were employees of JHSMH as of December 31, 2011 and are transferred to Catholic Health Initiatives, Saint Joseph Healthcare System, Inc., Flaget Healthcare Inc. or J H Properties, Inc. (“KSN Entities”), the participants’ employment time with the KSN Entities following transfer of employment will be counted for purposes of determining if a break in service occurred.

**Effective after December 31, 2009, no further credited service will be earned under the Cash Balance Plan.**

**Special Situations**

Vesting and credited service may include periods in which you are:

- on an approved leave of absence (up to two years, as long as you return to work with JHSMH at the scheduled end of your leave);
- on an approved unpaid leave (of up to 12 weeks) under the Family and Medical Leave Act (FMLA) (limited to 501 hours); or
- serving in the U.S. armed forces as long as you return to work with JHSMH within the period prescribed by law.

**If You Are on an Approved Leave of Absence**

While you are on an approved paid leave of absence from JHSMH, you will continue to earn pay and interest credits. Generally, if you are on an unpaid leave of absence, you will not earn pay credits (since they are pay-based, and you are not receiving pay). Interest credits will continue to accumulate in either case. However, if your unpaid leave of absence is an “approved leave of absence,” you will receive pay credits for your period of absence if you return to work with JHSMH on or before the end of the approved leave of absence. An “approved leave of absence” is one that has been authorized by JHSMH and is scheduled to last for two years or less.

**Effective after December 31, 2009, no further pay credits will be credited to your account in the Cash Balance Plan.**

**Military Leave**

You will be considered to have continued employment during your absence for military service in the U.S. armed forces if you return to JHSMH within the period that your re-employment rights are protected by law. You will continue to receive vesting service, interest credits and pay credits on your pay immediately prior to military leave.
Effective after December 31, 2009, no further pay credits will be credited to your account in the Cash Balance Plan.

Service While You Are Disabled
If you become disabled after earning 10 years of vesting service and after reaching age 50, and are eligible for benefits under the JHSMH long-term disability plan, you will continue to earn vesting service, credited service, pay credits and interest credits while you are receiving both LTD benefits and Social Security disability benefits. Pay credits will be based on your compensation in effect immediately before you became disabled.

Additional accruals cease on the earliest of the date:
- after December 31, 2009;
- you are no longer eligible for LTD benefits;
- you are no longer eligible for Social Security disability benefits; or
- you elect to receive benefits from this plan.

Effective December 31, 2009, no further credited service or pay credits will be credited to your account in the Cash Balance Plan.

Transferred Team Members
If, after becoming a participant, you transfer to a position within JHSMH or an affiliated organization that is not covered by this plan, you’ll continue to earn vesting service under this plan and you will continue to accrue interest credits. However, you will no longer earn pay credits or match credits (effective January 1, 2009, matching contributions were placed in your JHSMH 403(b) Plan until such plan merged into the Catholic Health Initiatives ERISA Savings Plan). When you eventually leave JHSMH, your retirement benefits under this plan will be determined based on your account balance when benefits begin.

How the Plan Works
Under the Cash Balance Plan, an account is established in your name. Over time, your account accumulates with:

- pay credits, which are added to your account balance at the end of each plan (calendar) year plus
- interest credits, which are added to your account balance at the end of each quarter.
You may also be eligible for match credits (effective January 1, 2009, matching contributions were placed in your JHSMH 403(b) Plan until such plan merged into the Catholic Health Initiatives ERISA Savings Plan), transition credits or a grandfathered benefit.

**Effective after December 31, 2009, no pay credits or transaction credits will be credited to your account under the Cash Balance Plan and no further grandfathered benefits will be earned under the Cash Balance Plan.**

### Defining Eligible Pay

The pay used to determine your pay credits includes your base pay, overtime, bonuses, sales incentives, imputed income and differential wages paid to participants on active duty in the military. Pay also includes tax-deferred contributions to the 403(b) Plan and/or Flexible Spending Accounts. Pay does *not* include moving expenses and reimbursements or long-term incentive compensation. Federal law limits pay which can be considered for pension benefits.

### Pay Credits

Your account grows with pay credits. At the end of each year, your account is credited with a percentage of that year’s pay. This percentage is based on:

- your age (in completed years), and
- your vesting service (as defined on page 4).

Your age and vesting service are determined as of December 31 of each year. These two factors are then added together to come up with your number of “points.” The more points you have, the higher the level of your pay credits.

For example, if on December 31, 2007 you are 48 years old and you have 10 years of vesting service, you will have a total of 58 years—so your pay credits will be based on 58 points. You will receive pay credits for the year equal to 5% of your eligible pay.
The chart below illustrates how points correspond to the percentage of pay that is credited to your account.

<table>
<thead>
<tr>
<th>If your points total:</th>
<th>You'll receive pay credits equal to this percent of eligible pay:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 40</td>
<td>3.00%</td>
</tr>
<tr>
<td>40 but less than 50</td>
<td>4.00%</td>
</tr>
<tr>
<td>50 but less than 60</td>
<td>5.00%</td>
</tr>
<tr>
<td>60 but less than 70</td>
<td>6.00%</td>
</tr>
<tr>
<td>70 but less than 80</td>
<td>7.00%</td>
</tr>
<tr>
<td>80 and above</td>
<td>8.00%</td>
</tr>
</tbody>
</table>

Note that you must work at least 1,000 hours during the plan (calendar) year to receive a pay credit for the year.

*Effective after December 31, 2009, no further pay credits will be credited to your account in the Cash Balance Plan.*

**Interest Credits**

At the end of each quarter, interest will be added to the amount you have accumulated in your account. The interest credit rate for each quarter will equal $(1 + i)^{1/4} - 1$ rounded to the nearest fourth decimal place where “$i$” is the greatest of (i) 3.8% or (ii) the annual rate of interest on 30-year U.S. Treasury bonds two months before the beginning of the quarter (for example, the interest rate for the second quarter—April through June—is determined by the 30-year Treasury bond rate in February).

Pay and interest credits are the keys to your account growth. If you leave JHSMH but decide to keep your account balance in the plan, your account will continue to grow with quarterly interest credits.

In the event of the termination of the Cash Balance Plan, the interest credit rate may be changed to reflect the average of the rate of interest under the Cash Balance Plan for the previous five-year period ending on the termination date.

**Match Credits**

Effective for-plan years beginning on January 1, 2009, matching contributions were placed in your JHSMH 403(b) Plan until such plan merged into the Catholic Health Initiatives ERISA Savings Plan. Your previous matching contributions will remain in the Cash Balance Plan. If you are enrolled in the 403(b) Plan, your...
Cash Balance Plan account balance will also grow with match credits. If you were a participant during Plan Years beginning January 1, 2000 and January 1, 2001, JHSMH matched the first 2% of your pre-tax pay that you contributed at 50 cents on the dollar. Effective for Plan Years beginning after January 1, 2002, JHSMH will match a percentage of your pre-tax pay that you contribute at 50 cents on the dollar as follows:

<table>
<thead>
<tr>
<th>Years of Vesting Service</th>
<th>Applicable Percentage</th>
<th>Match Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer than 10</td>
<td>2%</td>
<td>1.0%</td>
</tr>
<tr>
<td>At least 10 but fewer than 15</td>
<td>3%</td>
<td>1.5%</td>
</tr>
<tr>
<td>At least 15 but fewer than 20</td>
<td>4%</td>
<td>2.0%</td>
</tr>
<tr>
<td>At least 20 but fewer than 25</td>
<td>5%</td>
<td>2.5%</td>
</tr>
<tr>
<td>At least 25</td>
<td>6%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

These matching contributions are added to your Cash Balance Plan account balance as match credits for plan years ending before January 1, 2009. For example, assume you have 12 years of service in 2007; you earn $30,000 and contribute 6% of your pay, or $1,800, to the JHSMH 403(b) Plan. JHSMH will contribute an additional $450 to your Cash Balance Plan account balance at the end of the year or 50% of the first 3% of pay ($900) you contributed to the 403(b) Plan.

Keep in mind that you must work 1,000 hours during a plan year in order to receive match credits for that plan year.

*Effective for plan years beginning on January 1, 2009, match credits will no longer be added to your pension benefit in this plan. Instead matching contributions were placed in your JHSMH 403(b) Plan according to the above schedule up until the time it was merged into the Catholic Health Initiatives ERISA Savings Plan. Your previous matching contributions will remain in the Cash Balance Pension Plan and will continue to grow with interest credits.*

**How Your Account Grows**

For years beginning prior to January 1, 2010, your account balance earns pay and match credits (effective January 1, 2009, matching contributions will be placed in your JHSMH 403(b) Plan) each year and interest credits each quarter, and so it continues to increase in value. Here’s an example that shows an account balance beginning on January 1, 2005.

<p>| Your pay:                                      | $40,000 per year |
| Your 403(b) contribution                       | $1,200 per year (3% of pay) |
| Your age as of year end                        | 48                |</p>
<table>
<thead>
<tr>
<th>Your vesting service as of year end:</th>
<th>10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest credit rate:</td>
<td>5.0% per year*</td>
</tr>
<tr>
<td>Account Balance as of January 1, 2005</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>POINTS</th>
<th>PAY CREDITS (POINTS % TIMES PAY)</th>
<th>INTEREST CREDITS (ON PRIOR YEAR'S BALANCE)</th>
<th>MATCH CREDITS</th>
<th>YEAR-END ACCOUNT BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Balance</td>
<td>$25,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In 2005</td>
<td>58</td>
<td>$2,000 (5% x $40,000)</td>
<td>$1,250</td>
<td>$600</td>
</tr>
<tr>
<td>In 2006</td>
<td>60</td>
<td>$2,400 (6% x $40,000)</td>
<td>$1,443</td>
<td>$600</td>
</tr>
<tr>
<td>In 2007</td>
<td>62</td>
<td>$2,400 (6% x $40,000)</td>
<td>$1,665</td>
<td>$600</td>
</tr>
</tbody>
</table>

* Annual interest credits are shown for illustrative simplicity. Interest credits will actually be added to your account balance quarterly based on the interest rate in effect for the quarter.

For plan years beginning on or after January 1, 2010, your account balance does not earn pay credits and match credits were placed in your JHSMH 403(b) Plan account up until the time it was merged into the Catholic Health Initiatives ERISA Savings Plan, but it continues to earn interest credits each quarter, and so it continues to increase in value. Here's an example that shows an account balance beginning on January 1, 2010.

| Your pay: | $40,000 per year |
| Your 403(b) contribution | $1,200 per year (3% of pay) |
| Your age as of year end | 48 |
| Your vesting service as of year end: | 10 years |
| Interest credit rate: | 5.0% per year* |
| Account Balance as of January 1, 2010 | $25,000 |

<table>
<thead>
<tr>
<th>POINTS</th>
<th>PAY CREDITS (POINTS % TIMES PAY)</th>
<th>INTEREST CREDITS (ON PRIOR YEAR'S BALANCE)</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Account Balance</td>
<td>$25,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In 2010</td>
<td>58</td>
<td>$0</td>
<td>$1,250</td>
<td>$0</td>
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<tr>
<td>In 2011</td>
<td>60</td>
<td>$0</td>
<td>$1,313</td>
<td>$0</td>
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<tr>
<td>In 2012</td>
<td>62</td>
<td>$0</td>
<td>$1,378</td>
<td>$0</td>
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</tbody>
</table>

* Annual interest credits are shown for illustrative simplicity. Interest credits will actually be added to your account balance quarterly based on the interest rate in effect for the quarter.
Keep in Mind

If you were a participant in the “old plan” (as described in Appendix B), the benefit you receive under the Cash Balance Plan can never be less than the benefit you had earned immediately before the conversion from the “old plan” (December 31, 1999). Your “old plan” benefit as of December 31, 1999 was used to determine your opening balance in the Cash Balance Plan as of January 1, 2000.

Transition Credits

In addition to pay and interest credits, you may be eligible for transition credits (additional pay credits). You will receive an additional 2% pay credit each year if on December 31, 1999 you were not entitled to a grandfathered benefit but you were:

- at least age 50 and had five or more years of vesting service; or
- at least age 45 and had 10 or more years of vesting service.

Eligible participants will continue to receive the additional 2% pay credits each year through the earlier of December 31, 2009 or until they retire or leave JHSMH. Participants who terminate or retire from JHSMH will not receive transition credits if they are later rehired. However, if a participant terminates employment with JHSMH, begins employment with Catholic Health Initiatives (CHI), and later terminates employment with CHI and immediately returns to JHSMH, those participants will continue to earn transition credits after rehire.

For example, if on December 31, 1999 you were 46 years old with 15 years of vesting service you will receive annual pay credits of 8% (6% pay credits plus 2% transition credits). When you later accumulate 70 points, you will receive annual pay credits of 9% (7% pay credits plus 2% transition credits).

Effective after December 31, 2009, no further transition credits will be credited to your account in the Cash Balance Plan.

CARITAS Group Transition Credits

Former team members of Sts. Mary & Elizabeth Hospital, formerly CARITAS Medical Center, who are grandfathered under the Catholic Health Initiatives (CHI) Pension Plan, earn a 2% transition credit per year.

Effective after December 31, 2009, no further transition credits will be credited to your account in the Cash Balance Plan.
Grandfathered Benefit

If on December 31, 1999:

- you were age 50 or older and had at least 10 years of vesting service or
- you had 70 points and at least 10 years of vesting service

you are entitled to a grandfathered benefit. This means that the old plan formula will continue for you, while you participate in the Cash Balance Plan. JHSMH will continue to track your old plan benefit until you retire or leave JHSMH. At the same time, your Cash Balance Plan account balance will be earning pay credits (for plan years beginning prior to January 1, 2010) and interest credits.

When you leave JHSMH, JHSMH will compare the account balance you've accumulated under the Cash Balance Plan and the benefit you earned under the old plan at the time you leave. You will automatically receive the higher of the two benefits, plus the accumulated value of your match credits. For more details, see Appendix B.

Note that your grandfathered benefit will be “frozen” when you first retire or terminate employment with JHSMH. Your grandfathered benefit will not grow if you are later rehired unless you transfer directly to a CHI hospital and later transfer directly back to JHSMH.

Effective after December 31, 2009, your grandfathered benefit is frozen and will not increase for any reason.

Your Year of Termination or Retirement

You will receive pay credits and match credits (effective January 1, 2009, matching contributions were placed in your JHSMH 403(b) Plan until such plan was merged into the Catholic Health Initiatives ERISA Savings Plan) in your year of termination or retirement as long as you worked 1,000 hours during that plan (calendar) year. Regardless of how many hours you worked, you will receive interest credits through the end of the month before your elected benefit payment date.

Effective after December 31, 2009, no further pay credits will be credited to your account in the Cash Balance Plan to increase your grandfathered benefit.
When You Can Receive Your Benefit

Although the Cash Balance Plan was designed to provide you with income during your retirement years, you can begin receiving payments from the plan at any time after you leave employment with JHSMH and all of its affiliated organizations—as long as you are vested—whether you terminate or retire.

If You Retire
You can have your benefit paid immediately, roll over your account balance into another qualified retirement plan or an IRA, or leave your account balance in the plan until a later date. If your benefit is paid before your early retirement date (age 55 with 10 years of vesting service) or before you reach age 59-1/2, you may be subject to tax and other penalties, as described on page 23. If you leave your account balance in the plan, you will continue to earn interest credits until payments begin. You must begin receiving payments by the April 1 following the plan year in which you turn age 70-1/2.

When you begin receiving benefits (whether in a single lump sum or as an annuity), your payment will be calculated based on your account balance at the time. As long as you file a timely application for benefits, you can begin receiving your pension payments as of the first day of any month after your employment ends.

If You Continue to Work Past Age 65
If you continue to work past age 65, your account will continue to grow with pay credits, match credits (effective January 1, 2009, matching contributions were placed in your JHSMH 403(b) Plan until such plan was merged into the Catholic Health Initiatives ERISA Savings Plan) and interest credits until you actually retire.

Effective for after December 31, 2009, you not receive any further pay credits under the Cash Balance Plan.

If You Leave JHSMH
Not every team member will spend his or her entire career with JHSMH. If you leave JHSMH before retiring and you are fully vested, you are entitled to receive your entire account balance. If your account balance is $1,000 or less, you will receive an automatic, single lump-sum cash-out of your entire account balance shortly after you terminate.

If your account balance is more than $1,000, you may:
roll it over to a qualified plan with another employer;
roll it over to an Individual Retirement Account (IRA);
roll it over to a Roth Individual Retirement Account (Roth IRA);
leave your balance in the plan to continue earning interest;
take it as a taxable lump-sum payment; or
convert it to any of the annuity options described on pages 20-21.

If your vested account balance exceeds $1,000 but is not greater than $5,000 when you leave JHSMH, you will be forwarded a notice at your last address on file regarding the timing of the distribution with the option to roll it over to a traditional Individual Retirement Account (IRA), Roth IRA or another eligible plan. If you do not take timely action to make an election, your account will automatically be rolled over into an IRA.

If you choose to leave your vested account balance in the plan, and you die before your account is distributed, your beneficiary will receive your account balance.

Pre-retirement Survivor Benefits

The Cash Balance Plan has special provisions for taking care of your beneficiary, whether or not you are married, if you die while actively employed with JHSMH. If you are vested, your beneficiary receives your entire account balance if you die.

If your account balance is $1,000 or less, your beneficiary will receive an automatic, single lump-sum cash-out of your entire account balance.

If the value of your account is more than $1,000 and you are:

- single (or you are married and have named someone other than your spouse as your beneficiary), your beneficiary will receive a lump-sum payment of your account balance as soon as practicable following your death.
- married, your spouse is your beneficiary, and will receive your account balance as an annuity (based on his or her life expectancy) unless he or she elects to receive a lump-sum payment. Your surviving spouse may begin receiving payments immediately or may defer them until a later date (but no later than the April 1 following the end of the calendar year in which you would have turned age 70-1/2.
If your vested account balance exceeds $1,000 but is not greater than $5,000 and you die while actively employed with JHSMH, your beneficiary will be forwarded a notice at his or her last address on file regarding the timing of the distribution with the option to roll it over to a traditional Individual Retirement Account (IRA), Roth IRA or another eligible plan. If your beneficiary does not take timely action to make an election, your account will automatically be rolled over into an IRA.

**If You Become Disabled**

Once you become eligible for Long-Term Disability (LTD) benefits, you are considered to be a terminated team member. If you are fully vested, you are entitled to receive your entire account at any time. If you become disabled before age 50 or before you have 10 years of service, your account balance will continue to earn interest credits as long as it remains in the plan. Note that as your LTD benefits will be reduced by the value of any early distributions from the pension plan, you may want to consider leaving your account balance in the plan until LTD benefits have ceased.

If you became disabled after age 50 and you had at least 10 years of vesting service, you continued to earn pay credits as well as interest credits throughout your disability. (Match credits, however, cease once you begin receiving LTD Plan benefits.) For purposes of this plan, you are considered disabled if you are receiving Social Security disability benefits.

*Effective December 31, 2009, no disability benefits will be provided for a disability that occurs after December 31, 2009 and the amount of any disability benefit is frozen and no further pay credits, years of credited service, or compensation will have assumed to be earned after such date under the Cash Balance Plan.*

If you were employed by or provided services to the Visiting Nurse Association prior to January 1, 1997 and became disabled under the Visiting Nurse Association Pension Plan, the provisions of that plan will continue to apply to you unless you recover, return to work, and work at least one hour as an eligible team member of JHSMH.

**Death During Qualified Military Service**

Effective January 1, 2007, if you die during qualified military service (as defined in section 414(u)(5) of the Internal Revenue Code), your death will be treated as a death while actively employed for purposes of any benefits (other than benefit accruals related to the period of qualified military service) to which
your survivors would have been entitled had you resumed employment and then terminated employment on account of death.

**Your Payment Options**

**Applying for Benefits**
When you become eligible to begin receiving your benefit payments, you will receive a detailed retirement package containing your preliminary pension calculation and all the election forms necessary to start your pension payments.

You must fully complete and return the election forms at least 30 days before the date you want benefits to begin. You may waive this 30 day waiting period and wait only seven days by signing a waiver provided by JHSMH. However, if you do not return the forms within 90 days after we send them to you, you will need to file a new application for benefits and choose a later benefit commencement date.

**Note that you should expect the processing of your retirement benefit to take 90 days.** If you do not complete and return your application until near the date you want payments to begin, your payments may be delayed and you may receive your first and second month's payments (or more) at the same time.

To help you make your election, you will receive information explaining: the terms and conditions of your automatic pension payment method;

- your rights to waive your automatic pension payment method and the financial implications of making this choice;
- an explanation of the options available to you and the amount of each option;
- special tax notice;
- your spouse's rights concerning waiving the automatic pension payment method; and
- your rights to change a previous choice to waive your automatic pension payment method.

You may change your pension payment method at any time before the first day of the month in which benefit payments begin; you will not be allowed to change your pension payment method after that date. If you die before pension payments begin, benefits are paid as described in the “Pre-Retirement Survivor Benefits” section (see page 17), regardless of any other election you have made. To change your election, complete the appropriate form, available from your Human Resources Department. Once payments begin, you cannot make any changes.
Receiving Payments

If the total value of your account is $1,000 or less, you will receive an automatic single lump-sum payment of your entire account balance.

If the value of your account is more than $1,000, you will be able to choose from several payment options. But unless you choose otherwise, your benefit is automatically paid as follows:

- If you are single when you begin receiving your benefits, your automatic form of payment is a straight-life annuity. Under this form of payment, you receive a monthly benefit for the rest of your life; no benefit will be payable after you die.
- If you are married when benefits begin, your automatic form of payment is a 50% joint and survivor annuity. Under this form of payment, you receive monthly payments for the rest of your life and, after your death, 50% of your benefit will be paid to your spouse for his or her lifetime. To reflect the fact that benefits are paid over two lifetimes, the joint and survivor annuity amount is less than the single life annuity amount.

If your vested account balance exceeds $1,000 but is not greater than $5,000 and you have not otherwise made an election, you will be forwarded a notice at your last address on file regarding the timing of the distribution with the option to roll it over to a traditional Individual Retirement Account (IRA), Roth IRA or another eligible plan. If you do not take timely action to make an election, your account will automatically be rolled over into an IRA.

If you are receiving a lump-sum payout you will receive your check as soon as administratively feasible. Payment will include interest credits through the end of the month prior to your elected payment date.

For example, if you elect to receive a lump-sum payment as of the first day of July, your payment will include interest credited to your account through the end of June.

Note that you should expect to receive your actual payment 90 or more days after your completed forms are returned to JHSMH to allow time for administrative processing. If you return to JHSMH before you receive your distribution, you will not receive your distribution.
Payment Options
You can elect an optional form of payment instead of the automatic form. **If you are married and want to elect a form of payment other than a qualified joint and 50% survivor annuity, the 66-2/3%, 75% or 100% joint and survivor annuity or the 66-2/3% joint and survivor annuity with 10 years guaranteed, you must have your spouse’s written, notarized consent to such election.** Your options include:

- **Lump-sum Payout**—you receive a single cash payout of the entire value of your account balance, with no further benefits to follow.
- **Straight-Life Annuity**—you receive a monthly benefit until you die, and then payments stop.
- **Qualified 50% Joint and Survivor Annuity**—a reduced monthly benefit is paid to you until you die. After your death, your beneficiary receives 50% of that amount until he or she dies.
- **Joint and Survivor Annuity**—you receive a reduced monthly benefit until you die, and then your beneficiary receives a monthly percentage of your benefit. You choose the amount-50%, 66-2/3%, 75% or 100%—that your beneficiary receives.
- **Period Certain & Life Annuity**—you receive a reduced monthly benefit payment until you die. You choose a certain number of months-60, 120, 180 or 240—to provide a benefit to your beneficiary if you die before the period is completed. If you die before the period is up, your beneficiary will receive the remainder of the payments due. If you die after the number of months you have chosen has elapsed, your beneficiary does not receive any benefit.
- **Period Certain Only**—you choose a specified number of months-60, 120, 180 or 240—over which your entire benefit will be paid to you and/or your beneficiary. Payments stop when the period ends.
- **66-2/3% Joint and Survivor Annuity with 10 Years Guaranteed**—you are paid a reduced monthly benefit until you die, and then your beneficiary receives 66-2/3% of that amount until they die. You or your beneficiary is guaranteed to receive the full amount every month for the first 10 years.

Under the Cash Balance Plan, your benefit accumulates month by month as an “account balance” that is expressed as a lump-sum amount. At your retirement date, the amount of your life annuity is derived from the lump-sum amount based on the “annuity conversion” interest rate for the plan year in which your benefit payments begin. Optional forms of annuity are then determined by adjusting your life annuity amount as described in Appendix A.
Your benefit starting date determines the interest rate used to calculate your “annuity conversion.” The conversion rate changes each year, and is based on 3 tiered corporate bond yield rates published by the IRS for conversions for the September prior to the start of the calendar year in which benefit payments begin.

Annuity amounts can vary based on fluctuating conversion rates. A higher conversion rate produces a higher monthly annuity for a given account balance. Conversely, a lower rate will produce a lower annuity amount. Of course, once you choose to convert your account balance to an annuity and start to receive your monthly benefit, the amount of your benefit won’t change.

Keep in Mind
If you elect an annuity other than a straight-life annuity, your benefit will be actuarially adjusted to reflect the likely payment of benefits over a different expected period of time. See Appendix A for details.

Payment and Benefit Accrual Restrictions Based on Plan Funding
Congress has amended the Internal Revenue Code to limit lump sum and other forms of accelerated payments and to limit additional benefit accruals in certain cases if a defined benefit plan’s assets are less than its liabilities. The measure used to determine a plan’s funded status is referred to as AFTAP (which is short for “adjusted funding target attainment percentage”). You can think of this as a measure of a Cash Balance Plan’s ability to pay all benefits due under the Cash Balance Plan. For example, if a plan’s AFTAP is 90%, then you can think of this as the plan being able to pay 90% of all benefits due under the plan at that time. Of course, all benefits under a defined benefit plan are not due at one time and employers have future years in which to contribute assets to pay benefits due under the plan. Because the value of the assets held by a plan fluctuates, a plan’s ability to pay future benefits at any one time fluctuates. Thus, an AFTAP is a snapshot of a plan’s ability to pay all benefits due as of one date. In general, if the Cash Balance Plan’s AFTAP falls below 80%, then the Cash Balance Plan must restrict lump sum payments. In addition, in general if the Cash Balance Plan’s AFTAP falls below 60%, additional restrictions are placed on lump sum payments and the accrual of additional benefits.
What You Should Know About Taxes

You are responsible for reporting any payments you receive from your Cash Balance Plan as taxable income on your annual federal, state and local tax returns. You are also responsible for paying all applicable taxes. If you elect to have your plan benefit paid as an annuity, you will need to complete a federal tax withholding election and you may ask the plan’s trustee to withhold some taxes for you.

IRS regulations require that JHSMH withhold 20% of your taxable lump-sum distributions against the income taxes you may owe. You can avoid this withholding by directly rolling over this taxable amount to an IRA, Roth IRA or another employer’s qualified plan. If you receive a lump-sum payment before your early retirement date (age 55 with ten years of vesting service) or before you reach age 59-1/2, you may also be subject to an additional 10% penalty tax, which you must pay when you file your tax return. Keep in mind that the amount withheld may not represent your actual tax liability.

Before making any decision regarding form or timing of payments, you should consult a tax professional.

If You Are Re-employed

How your account is affected if you are rehired depends on whether you were vested and whether you received any payment from the plan.

- If you terminate employment with a fully vested account, receive a lump-sum distribution and are later re-employed by JHSMH, prior to December 31, 2009, a new account is established for you as if you were a new team member. You will receive credit for your prior vesting service. When you eventually retire, your new benefit will be based on the value of your new account balance.

- If you are re-employed after you begin receiving annuity payments under the plan, those payments will continue. Prior to December 31, 2009, a new account will be opened on your behalf as if you were a new team member. You will receive credit for your prior vesting service. Any retirement benefits payable upon your subsequent termination, death or retirement will be based on your service after your rehire.

- If you are vested, terminate employment, do not receive any payment and are later re-employed by JHSMH, prior to December 31, 2009, pay credits will resume with your rehire and your points will reflect all prior employment with JHSMH. (Your account will continue to earn interest credits during your absence.)

- If you were not vested when you left JHSMH, your account will be “reinstated” and interest credits will be applied as if you had never terminated employment as long as you are rehired.
before you have five consecutive one-year breaks in service (see page 6). Prior to December 31, 2009, pay credits will resume with your rehire and your points will reflect all prior vesting service with JHSMH.

- If you were not vested when you terminated and you are rehired after five consecutive one-year breaks in service, you will be treated as a new team member. All prior benefits and vesting service are forfeited.

Note that you are not eligible for additional transition credits or an increased grandfathered benefit upon your reemployment.

*Effective after December 31, 2009, no further pay credits will be credited to your account in the Cash Balance Plan regardless of when you terminated employment and were rehired.*

**Keeping Track of Your Account**

Beginning in January 2017, you have access to Fidelity NetBenefits, an on-line tool from which you can review your current balance and available optional forms of payment, project your retirement benefit or begin the retirement process. The on-line tool is available at via [www.netbenefits.com/atwork](http://www.netbenefits.com/atwork).

**Keeping Our Records Up to Date**

Whether you are an active team member, a terminated team member with a vested benefit or a retiree, it is important for you to keep JHSMH up-to-date about certain information. To ensure that you receive your retirement benefits, be sure to notify the Human Resources Department if you have changes in:

- your address (if you are a terminated or retired team member);
- your marital status:

If you are an active team member, contact Human Resources if your address changes. If you are no longer actively employed, you may contact Fidelity at 1-800-343-0860 or at [www.netbenefits.com/atwork](http://www.netbenefits.com/atwork). If you have not begun receiving payments, you may change your beneficiary on-line.
Situations Affecting
Your Plan Benefits

Your plan benefits may be affected by the following situations:

- If you leave JHSMH before you are fully vested, you will forfeit your plan benefit.
- Your vested benefit belongs to you and you cannot sell, transfer, or assign it. Current law requires the Cash Balance Plan to recognize qualified domestic relations orders (QDROs). A QDRO is a court order, judgment or decree that:
  - is made under a state domestic relations law (including community property laws);
  - relates to child support, alimony payments or marital property rights; and
  - creates or recognizes an alternate payee’s right to receive all or part of your benefits under the Cash Balance Plan.

  If the QDRO so provides, your benefit under the plan as of a specific date may be divided. In this instance, the alternate payee may be set up with a separate account balance in the Cash Balance Plan.

- If you are unable to care for your own affairs, any pension payments due can be paid to someone who is authorized to conduct your affairs. This may be a relative or a court-appointed guardian.
- If you or your spouse can’t be located, plan benefits will not begin until you or your spouse file a valid, timely application. Be sure to let JHSMH know if your address changes.
- The plan must comply with tax laws and rules of the Internal Revenue Service. As laws and regulations change, the plan may change. If any provisions or changes materially affect your retirement benefits, you will be notified.
- JHSMH makes every effort to ensure that pension payments are correct. However, if any errors are made, JHSMH reserves the right to correct them.
- If the plan is terminated, benefits payable under the plan are limited to those that can be provided by the assets of the trust fund and those that are guaranteed by the Pension Benefit Guaranty Corporation (PBGC) (see page 29).
**Important Facts about Your Plan**

As a participant or beneficiary under this plan you have certain rights and protections as more fully described within the Statement of ERISA rights found on page 31. Other important information about the Plan is provided below:

- **Name of Plan:** Jewish Hospital & St. Mary’s HealthCare Pension Plan
- **Type of Plan:** Defined Benefit Plan
- **Plan Sponsor:** Jewish Hospital & St. Mary’s HealthCare  
  200 Abraham Flexner Way  
  Louisville, KY 40202-1886
- **Plan Sponsor’s Employer Identification Number:** 61-1029768
- **Plan Number:** 003
- **Plan Administrator:** Catholic Health Initiatives Retirement Plans Subcommittee  
  C/O Catholic Health Initiatives  
  3900 Olympic Boulevard  
  Erlanger, KY 41018-1009
- **Plan’s Initial Effective Date:** January 1, 1965
- **Plan Year:** January 1 through December 31
- **Plan Contributions:** The Plan is funded entirely by employer contributions under a Trust Agreement.
- **Trust Fund:** Jewish Hospital Retirement Trust
- **Trustee:** BNY Mellon  
  c/o The Bank of New York Mellon  
  One Mellon Bank Center  
  Room: 151-1935  
  Pittsburgh, PA 15258-0001
- **Agent for service of legal process:** Any legal process against plan should be served on the Plan Administrator.
Participating Companies:

- Jewish Hospital HealthCare Services, Inc.;
- Jewish Hospital;
- Skycare, Inc.;
- Jewish Hospital Foundation;
- Outpatient Care Center (formerly JH Ambulatory Services, Inc.);
- JH Properties;
- Four Courts Senior Center;
- Frazier Rehab Center;
- Visiting Nurse Association;
- Med Group Management
- Haller, Hazwett & Adams
- Family Practice Associates
- Oak Street
- Jewish Hospital & St. Mary’s Healthcare (other than the CARITAS Group*);
- CARITAS Group*;
- Jewish Hospital Shelbyville;
- SEMC
- AIM
- Dr. Venhoff
- Louisville Heart Specialists
- Louisville Heart Specialists Doctors
- Fox and Simon
- Louisville Neurology Associates
- Kentuckiana Adult Medicine
- Medical Center Anesthesia
- Orthopedics Assoc.
- Kyana Colon & Rectal Surgery
- Shelby Family Practice
- Medical Center Cardiology
- Louisville Medical Associates
- Dr. Marcia Ebbs
- Thoracic & Vascular Associates
- Shea Group
- Medichieve Associates
- Carroll Sheth & Raghaven (Jewish Cancer Center); and
- Kehrer Family Medicine (78230)

*The CARITAS Group includes the following former members of CARITAS Health Services:

- Sts. Mary & Elizabeth Hospital (formerly, CARITAS Medical Center);
- Our Lady of Peace (formerly, CARITAS Peace Center);
- Nazareth Home Health Services (formerly, CARITAS Home Health Services);
- CARITAS Surgery Center;
- CARITAS Physician Group;
- CARITAS Jefferson Memorial;
- CARITAS Health Fitness; and
- CARITAS Occupational Medicine.

**Claims Review and Appeals Procedures**

In order to receive any kind of distribution from the plan, you must contact the plan administrator as described on page 19. Your distribution will then be made in accordance with the provisions of the plan, as applicable. If you do not agree with a matter pertaining to your account under the plan, you may
submit a written claim to the plan administrator for benefits you think you are entitled to under the
provisions of the plan.

You will be notified in writing of the plan administrator’s decision within 90 days after the written claim is
received (or 180 days if it is a special case). If an extension of time is required for the review, you will be
notified before the extension period begins.

After verification of evidence necessary to establish your right to a plan benefit, the plan administrator
will grant or deny your claim. If your claim is denied, you will be notified within 60 days of receiving your
application. If special circumstances require extra time to process your claim, you will receive written
notice of the extension and the reasons for it before the end of the initial 60 days. The extension will not
exceed a period of 60 days from the end of the initial 60-day period. If you do not receive a response to
your application within this time limit, you should assume that the application has been denied and you
can begin your appeal.

If your claim is denied, a written notice will be given to you explaining the reason for the denial. It will
include references to the applicable plan provisions, an explanation of the claim review procedure, and an
explanation of what additional information may be needed to perfect your claim.

Upon written application, you may request a review of your claim, review the plan documents, and
submit issues and comments to the plan administrator within 60 days after denial. The plan administrator
will review your claim and make a decision, normally within 60 days after your request for review. If extra
time is required to review your appeal, you will receive written notice of the extension and the reasons
for it before the end of the initial 60 days. A decision regarding your appeal will be made no later than
120 days from the date of your appeal. You will be notified in writing of the plan administrator’s decision
and the reasons for it.

**Legal Actions**

You may not pursue your claim in federal or state court until you have first exhausted the claims
procedures under the plan. You may not sue after two years from the date of loss upon which the lawsuit
is based.

**Implied Promises**

Nothing in this booklet says or implies that participation in this plan is a guarantee of continued
employment with your employer, nor is it a guarantee that plan benefit levels will remain unchanged in
future years.
Pension Insurance

Your pension benefits under the plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the plan terminates (ends) without enough money to pay 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 generally 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 years at the time the plan terminates, (3) benefits that are not vested because you have not worked long enough for JHSMH, (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 your monthly benefit at the plan’s normal retirement age, and (6) any 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 may still 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 the PBGC. Inquiries to the PBGC should be addressed to:

PBGC
Technical Assistance Division
1200 K Street, N.W., Suite 930
Washington, D.C. 20005 — 4026

The PBGC can also be reached by calling 800-400-7242 or 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 800-400-7242. Additional information about the PBGC’s pension insurance program is available through the PBGC’s Web site at http://www.pbgc.gov.
**Plan Amendment or Termination**
JHSMH or its designee reserves the right to amend or terminate the plan. Each participating employer may withdraw from the plan at any time. Also, JHSMH's Board of Directors or a properly authorized designee has the power to amend or terminate the plan. If the plan is terminated, plan benefits will be paid in accordance with the requirements of the Pension Benefit Guaranty Corporation (PBGC) and to the extent provided by the trust fund. No money in the trust fund can be returned to JHSMH until all plan benefit obligations are met.

**Mergers, Consolidations or Transfers**
If this plan is merged or consolidated with another plan or the assets and liabilities attributable to your accrued benefit are transferred to another plan, your benefit under this plan would be equal to at least the amount to which you would be entitled if the plan had been terminated just before the change.

**If the Plan Becomes Top-Heavy**
A plan is considered top-heavy when 60% or more of the benefits from the plan are payable to highly paid team members.

It is unlikely that this plan will become top-heavy. If the plan does become top-heavy, you’ll be notified. Special rules apply for any period of time a plan is top-heavy.

**Maximum Retirement Benefits**
The Internal Revenue Code limits the benefits payable and the compensation that may be considered under defined benefit plans for highly compensated team members. You will be notified if these limits apply to you.

**Limitations on Rights**
Your vested benefit belongs to you and you cannot sell, transfer, or assign it. However, under certain circumstances, a court may award all or part of your benefit under the plan to a present or former spouse, child or other dependent through a qualified domestic relations order (QDRO), as described on page 25.
Your Rights under
ERISA

As a participant in the Jewish Hospital & St. Mary’s HealthCare Cash Balance Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). Specifically, you have the right to:

- examine, without charge, at the plan administrator's office and at other specified locations, all plan documents, including copies of all documents filed with the U.S. Department of Labor, such as detailed annual reports and plan descriptions.
- obtain copies of all plan documents and other plan information upon written request to the plan administrator. The plan administrator may make a reasonable charge for the copies.
- 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 an annual funding notice.
- obtain a statement telling you whether you have the right to receive a pension at age 65 and if so, what your benefits would be at normal retirement age if you stop working at that time. 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 need not be given more than once a year. It must be provided free of charge.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the team member benefit plans. The people who operate your plans, called “fiduciaries” of the plans, 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 in order to prevent you from obtaining a benefit to which you are entitled, or from exercising your rights under ERISA.

If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial, and you have the right to have the plan review and reconsider your claims (see “Claims Review and Appeals Procedures,” page 28). Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials 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 them, 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 federal or state 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.

If you have any questions about the plans, you should contact Fidelity Retirement Service Center 1-800-343-0860. If Fidelity does not answer your questions, or if you have questions about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your 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.
APPENDIX A

Benefit Reduction
Tables

If you elect to receive your benefit in a form other than a straight-life annuity or lump-sum payment, your benefit will be reduced, usually to reflect payment over two lifetimes. It may also be further reduced depending upon your age and the age of your beneficiary, as described below. Beginning June 1, 2008, all adjustments are based on your life annuity benefit amount and are equal to the actuarial equivalent of your single life annuity using the RP2000 mortality table and a 7% rate of interest. Prior to June 1, 2008 optional forms were calculated based on your life annuity benefit amount multiplied by a factor from a table. Note that you will not receive less than the optional form based on your accrued benefit as of May 31, 2008 and the factors in place before June 1, 2008.

Shown below are the new and old optional forms factors for comparison.

**Period Certain & Life Option**

If you elect a period certain & life option, your straight-life annuity amount will be reduced as shown below:

<table>
<thead>
<tr>
<th>Monthly Guaranteed Payments</th>
<th>Percentage of Straight-Life Annuity After May 31, 2008*</th>
<th>Percentage of Straight-Life Annuity Before June 1, 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>60</td>
<td>99.4%</td>
<td>98.5%</td>
</tr>
<tr>
<td>120</td>
<td>97.6%</td>
<td>94.5%</td>
</tr>
<tr>
<td>180</td>
<td>94.9%</td>
<td>89.5%</td>
</tr>
<tr>
<td>240</td>
<td>91.6%</td>
<td>84.5%</td>
</tr>
</tbody>
</table>

In other words, if your straight-life annuity amount was $2,000 a month and you elected a 180-month certain & life annuity you would have received $1,790 per month before June 1, 2008. However, if you commence benefits after May 31, 2008 you will receive $1,898 per month. In either case, if you die before all 180 monthly payments are made, your beneficiary will receive the same monthly amount for the remainder of the period certain.

* Factors will vary based on participant’s age. Factors shown above are for a participant age 60.
**Joint and Survivor Annuity Option**

If you elect a joint and survivor annuity option, your straight-life annuity amount will be reduced as shown below:

<table>
<thead>
<tr>
<th>Monthly Guaranteed</th>
<th>Payments</th>
<th>Percentage of Straight-Life Annuity After May 31, 2008*</th>
<th>Percentage of Straight-Life Annuity Before June 1, 2008 **</th>
</tr>
</thead>
<tbody>
<tr>
<td>50%</td>
<td>94.1%</td>
<td>93.0%</td>
<td></td>
</tr>
<tr>
<td>66-2/3%</td>
<td>92.3%</td>
<td>91.0%</td>
<td></td>
</tr>
<tr>
<td>75%</td>
<td>91.5%</td>
<td>90.0%</td>
<td></td>
</tr>
<tr>
<td>100%</td>
<td>88.9%</td>
<td>87.0%</td>
<td></td>
</tr>
</tbody>
</table>

For example, if your straight life annuity benefit is $2,000 a month, you elect a 75% joint and survivor annuity, and you and your spouse are both age 60, you would have received $1,800 per month and your spouse would have received $1,350 per month following your death, before June 1, 2008. However, if you commence benefits after May 31, 2008, you will receive $1,830 per month and your spouse will receive $1,372.50 per month following your death.

* Factors will vary based on participant's and beneficiary's age. Factors shown above are for a participant age 60 and a beneficiary age 60.

** If the difference between your age and your beneficiary's age is more than five years, the above percentages will be increased if your beneficiary is older than you and decreased if your beneficiary is younger than you.

**66-2/3% Joint and Survivor Annuity with 10 Years Guaranteed Option**

If you elect this annuity, you would have received 89.5% of your straight-life annuity amount before June 1, 2008. For example, if your straight life annuity was $2,000 and you and your spouse are the same age, you would receive $1,790 per year. After your death, your beneficiary would have received $1,790 per month until that ten-year certain period expired, then $1,193.33 per month. Note that your benefit would have been further reduced if your beneficiary was more than five years younger than you.

After May 31, 2008 if you and your beneficiary are both age 60 you will receive 91.6% of your straight life annuity amount. In the same example you will receive $1,832 per month. After your death, your beneficiary will receive $1,832 per month until the ten-year period has expired, then $1,221.33 per month.
Period Certain Options

The actuarial factors used to determine annuity payment amounts for period certain options are defined by the IRS and change each year. You can calculate amounts on Fidelity NetBenefits, your on-line pension tool.
APPENDIX B

If You Were a Participant before January 1, 2000

If you were a participant in the prior plan (the Jewish Hospital Retirement Plan) on December 31, 1999, you are automatically a participant in this plan. However, certain special provisions apply to you. You were provided an opening balance on January 1, 2000 based on the benefit you had earned under the “old plan” as of December 31, 1999. In addition, you may be eligible for transition credits or a grandfathered benefit, as described below.

**Effective December 31, 2009, the grandfathered benefit is frozen and no further increase of your grandfathered benefit will occur due to an increase in your compensation, years of credited service or for any other reason.**

**Opening Balance**

Your account opened on January 1, 2000 with an opening balance. Your opening balance is the amount of cash needed, based on a 7% interest rate and certain mortality assumptions, to fund today your December 31, 1999 accrued benefit under the old plan.

Your monthly accrued benefit under the old plan as of December 31, 1999 was determined as follows: 1.65% of your average monthly compensation times years of credited service after December 31, 1988 (up to 35 years, minus your credited service as of December 31, 1988) plus 0.65% of your average monthly compensation greater than your monthly Social Security covered compensation rate times years of credited service after December 31, 1988 (up to 35 years, minus your credited service as of December 31, 1988) plus your monthly accrued benefit as of December 31, 1988 under the Jewish Hospital Retirement Plan in effect at that time.

If you were employed by or provided services to the Visiting Nurse Association before January 1, 1997, your opening balance also includes the value of your accrued benefit as of December 31, 1996 under the Visiting Nurse Association Pension Plan.
Keep in Mind
The benefit you receive under the cash balance plan can never be less than the benefit you had earned immediately before the conversion from the “old plan” (as of December 31, 1999).

Grandfathered Benefit
If you were an active team member on December 31, 1999 and:
- you were age 50 or older and had at least 10 years of vesting service or
- you had 70 points (age plus completed years of vesting service) and had at least 10 years of vesting service,
you are entitled to a grandfathered benefit. This means that the old plan will continue for you, while you participate in the Cash Balance Plan. JHSMH will continue to track your old plan benefit until you retire or leave JHSMH. At the same time, your Cash Balance account balance (which started January 1, 2000, with an opening balance reflecting the value of your old plan benefit as of December 31, 1999) will be earning pay credits and interest credits.

When you leave JHSMH, JHSMH will compare the account balance you’ve accumulated under the Cash Balance Plan and the benefit you would have received under the old plan at the time you leave. You will automatically receive the higher of the two benefits plus the accumulated value of your match credits. To make this comparison for a lump-sum payout, your benefit under the old plan is converted to a lump sum, and compared to the Cash Balance Plan account balance (excluding the match credit account).

Keep in mind that if you terminate employment with JHSMH or transfer to a non-participating company, your grandfathered benefit is “frozen” as of your termination or transfer date, even if you later come back to work for JHSMH, unless you transfer directly to a CHI hospital and later transfer directly back to JHSMH.

Effective December 31, 2009, the grandfathered benefit is frozen and no further increase of your grandfathered benefit will occur.

Transition Credits
If on December 31, 1999, you were an active team member who was not entitled to a grandfathered benefit, but you were:
- at least age 50 and had five or more years of vesting service or
- at least age 45 and have 10 or more years of vesting service
you are eligible to receive transition credits. Transition credits are an additional 2% pay credit each year until you retire or leave JHSMH. If you terminate or retire from JHSMH you will not receive transition credits if you are later rehired. However, if you terminate employment with JHSMH, begin employment with CHI, and later terminate employment with CHI and immediately return to JHSMH, you will continue to earn transition credits after your rehire.

**Effective after December 31, 2009, no further transition credits will be credited to your account under the Cash Balance Plan.**

### How the Plans Differ

The old plan’s formula determines your benefit as a monthly annuity, payable beginning on your normal retirement date. Reduced benefits may be available before your normal retirement date. The monthly annuity amount is a “fixed” amount, but the lump-sum value of that benefit will vary depending on the interest rate in effect for the year that you begin your payments.

The Cash Balance Plan is just the opposite—under the plan’s formula your benefit accumulates over time as an “account balance” that is payable as a lump-sum amount. When you begin your benefits, the amount of your straight life annuity is derived from the lump sum and the “annuity conversion” interest rate for the plan year in which you leave, so the annuity amounts can vary, based on that year’s interest rate. (Of course, once you start to receive your benefit as a monthly annuity, the amount of your benefit won’t change.)

### How Your Old Plan Benefit Is Calculated

Your grandfathered benefit under the old plan is based on several factors, including your average monthly compensation, credited service, monthly Social Security covered compensation and your actual retirement age.

For team members who do not have a grandfathered benefit, your accrued benefit was determined as of December 31, 1999 under the “old plan” formula using your average monthly compensation, credited service, monthly Social Security covered compensation and your age as of December 31, 1999. This amount provides the basis for determining your opening balance in the Cash Balance Plan as of January 1, 2000. By law, your benefit can never be less than your accrued benefit under the “old plan” as of December 31, 1999.
**Average Monthly Compensation**
Average monthly compensation means 1/12 of your annual eligible pay (as defined on page 9 of this SPD) during the five-consecutive-calendar-year period of employment which produces the highest average. (Any year in which you worked less than 11 full months will not count towards determining your average monthly compensation.) If you have not worked for five consecutive calendar years, your compensation will be averaged over the number of years you have worked.

**Effective December 31, 2009, average monthly compensation is frozen and no further increase will occur for any reason.**

**Credited Service**
Credited service is, in general, your years of employment with a participating company. You earn credited service for every plan year in which you work at least 1,000 hours. If you were employed with JHSMH before 1993, you received one month of credited service for each month in which you worked one or more days for JHSMH.

Credited service also includes any period during which you are:

- on an approved leave of absence (up to two years, as long as you return to work with JHSMH at the scheduled end of your leave), or
- serving in the U.S. Armed Forces, as long as you return to work with JHSMH within the period prescribed by law.

**Service Dates**
For certain acquisitions, credited service is only credited back to certain dates. You will not receive credited service for periods of service with:

- the CARITAS Group prior to January 1, 2006;
- Jewish Hospital Shelbyville prior to January 1, 2006;
- the Visiting Nurse Association prior to January 1, 1997 (although you may have a benefit from the Visiting Nurse Association Pension Plan which is now included in your JHSMH benefit);
- Four Courts Senior Center which occurred prior to January 1, 1994;
- the Amelia Brown Frazier Rehabilitation Center prior to January 1, 1995; and
- JH Properties prior to June 16, 1983.
Effective for periods after December 31, 2009, no further credited service will be credited to your account under the Cash Balance Plan.

Monthly Social Security Covered Compensation
Each year, Social Security taxes are withheld from your income up to a certain level (for 2017, for example, this amount is $127,200). This is called the Social Security wage base. Social Security covered compensation is the average Social Security wage base for the 35-year period before you reach (or will reach) Social Security retirement age. Your monthly Social Security covered compensation is 1/12 of this amount. Since covered compensation is an average, the covered compensation amount will go up whenever the wage base goes up—which may be every year. The Internal Revenue Service publishes the covered compensation table annually; your plan administrator can provide you with a copy.

Effective December 31, 2009, Social Security covered compensation is frozen and no further increase will occur.

Normal Retirement
Your “old plan” benefit will be calculated as follows for normal retirement:
1.65% of your average monthly compensation times years of credited service after December 31, 1998 (up to 35 years, minus your credited service as of December 31, 1998)
plus
0.65% of your average monthly compensation greater than your monthly Social Security covered compensation rate times years of credited service after December 31, 1998 (up to 35 years, minus your credited service as of December 31, 1998)
plus
your monthly accrued benefit as of December 31, 1998 under the Jewish Hospital Retirement Plan in effect at that time.

Remember, the old plan benefit is calculated as a monthly annuity.

If you were employed by or provided services to the Visiting Nurse Association before January 1, 1997, your benefit also includes your accrued benefit as of December 31, 1996 under the Visiting Nurse Association Pension Plan.
For Example

Assume you are retiring from JHSMH in 2007 at age 65 with 25 years of credited service. Your average monthly compensation is $3,500; Social Security covered compensation is $2,925 per month; and your accrued benefit as of December 31, 1988 was $200.00 per month. Here is how your grandfathered benefit will be calculated:

\[
1.65\% \times 3,500 \times 19 \text{ years (since 1988)} = \ 1,097.25 \\
\text{PLUS} \\
[0.65\% \times (3,500 - 2,925 = 575)] \times 19 \text{ years} = \ 71.01 \\
\text{PLUS} \\
\text{Your accrued benefit as of December 31, 1988} = 200.00 \\
\text{Total} = 1,368.26/\text{month}
\]

Keep in mind that your benefit under the Cash Balance Plan will also be calculated and you will receive the larger of the two benefits (calculated as an annuity or as a single lump-sum payment, as you elect).

Effective December 31, 2009, the grandfathered benefit is frozen and no further increase of your grandfathered benefit will occur.

Early Retirement

You can retire early with a reduced grandfathered benefit if you leave after age 55 with at least 10 years of vesting service. You can begin receiving benefits as of the first day of the month after you leave JHSMH, or you can postpone receiving your benefits until some later date. There is a reduction if benefits start before age 65 to account for the longer period of time over which payments are made. Payments will be reduced as follows:

<table>
<thead>
<tr>
<th>If You Benefit at this Age</th>
<th>Start Monthly Payments</th>
<th>You Receive this Percentage of Your Age-65 Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>65</td>
<td>100.00%</td>
<td></td>
</tr>
<tr>
<td>64</td>
<td>93.33%</td>
<td></td>
</tr>
<tr>
<td>63</td>
<td>86.77%</td>
<td></td>
</tr>
<tr>
<td>62</td>
<td>80.00%</td>
<td></td>
</tr>
<tr>
<td>61</td>
<td>73.33%</td>
<td></td>
</tr>
<tr>
<td>60</td>
<td>66.67%</td>
<td></td>
</tr>
<tr>
<td>59</td>
<td>63.33%</td>
<td></td>
</tr>
<tr>
<td>58</td>
<td>60.00%</td>
<td></td>
</tr>
<tr>
<td>57</td>
<td>56.67%</td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>53.33%</td>
<td></td>
</tr>
<tr>
<td>55</td>
<td>50.00%</td>
<td></td>
</tr>
</tbody>
</table>
For Example

Assume you retire early from JHSMH in 2007 at age 60 with 25 years of credited service. Your average monthly compensation when you retired was $3,000; Social Security covered compensation is $3,900 per month; and your accrued benefit as of December 31, 1988 was $100.00 per month. Here is how your grandfathered benefit will be calculated:

\[
\begin{align*}
1.65\% \times \$3,000 \times 19 \text{ years (since 1988)} &= 940.50 \\
\text{PLUS} \\
0.65\% \times 0 \times 19 \text{ years} &= 0.00 \\
\text{PLUS} \\
\text{Your accrued benefit as of December 31, 1988} &= 100.00 \\
\end{align*}
\]

$1,040.50/month

Based on this example, your age 65 grandfathered benefit would be $1,040.50 a month. You may begin receiving reduced payments of $693.70 per month immediately, determined as follows: $1,040.50 times 66.67% = $693.70.

Keep in mind that your benefit under the Cash Balance Plan will also be calculated and you will receive the larger of the two benefits (calculated as of your early retirement date, as either an annuity or as a single lump-sum payment, as you elect).

Effective December 31, 2009, the grandfathered benefit is frozen and no further increase of your grandfathered benefit will occur.

Vested Termination

If you terminate JHSMH employment with a vested benefit you may either begin receiving a reduced benefit immediately or you can postpone receiving your benefit until a later date. When you begin receiving payment, the amount of your grandfathered benefit will depend upon your age when payments begin and whether you have 10 years of vesting service.

If you have 10 or more years of vesting service and begin receiving payments on or after age 55, your grandfathered benefit will be determined as described under early retirement, above.

Commencement before age 55 with 10 or more years of vesting service

If you have 10 or more years of vesting service and begin receiving payments before age 55, your grandfathered benefit will be reduced for early payment by multiplying the “old plan” formula-derived benefit by 50% (to reduce the benefit for payment at age 55), then by an actuarial equivalent factor (to further reduce the benefit from payable at age 55 to your actual age when benefit payments begin).
Commencement before age 65 with less than 10 years of vesting service

If you are vested but have less than 10 years of vesting service, you may begin reduced benefits at any time. Your “old plan” formula-derived benefit will be reduced by an actuarial equivalent factor (to reduce the benefit from payable at age 65 to your actual age when benefits begin).

For Example

Assume you terminated employment from JHSMH in 2007 at age 51 with 20 years of credited service. Your average monthly compensation when you retired was $3,000; monthly Social Security covered compensation is $5,300 per month; and your accrued benefit as of December 31, 1988 was $30.00 per month. Here is how your grandfathered benefit will be calculated:

\[
\begin{align*}
1.65\% \times 3,000 \times 19 \text{ years} &= 940.50 \\
0.65\% \times 0 \times 19 \text{ years} &= 0.00 \\
\text{Your accrued benefit as of December 31, 1988} &= 30.00 \\
\text{Total} &= 970.50/\text{month}
\end{align*}
\]

Based on this example, your age 65 grandfathered benefit would be $970.50 a month. You may begin receiving reduced payments immediately, determined as follows:

\[
\begin{align*}
\text{Monthly payment beginning at age 65} &= 970.50 \\
\text{Reduced for payment at age 55} \times 50.00\% &= 485.25 \\
\text{Reduced actuarially from age 55 to age 51} \times 70.78\% &= 343.46
\end{align*}
\]

Keep in mind that your benefit under the Cash Balance Plan will also be calculated and you will receive the larger of the two benefits (calculated as of your early retirement date, as either an annuity or as a single lump-sum payment, as you elect).

Effective December 31, 2009, the grandfathered benefit is frozen and no further increase of your grandfathered benefit will occur.

Lump Sum Payments

As is the case for your account balance, your grandfathered benefit can also be paid as a lump sum, regardless of your age at termination or retirement. The lump sum amount is the single sum present value of your future annuity payments. It is based on the monthly annuity you could receive as described above under Normal Retirement, Early Retirement or Vested Termination, using specified interest rate and mortality table assumptions. The interest rates may change each year based on rates provided by the federal government. Generally, lower interest rates will provide higher lump sum payments. Conversely, higher interest rates will provide lower lump sum payments.
When you leave JHSMH, JHSMH will compare the account balance you have accumulated under the Cash Balance Plan and the lump sum available under the “old plan” at your payment date. Your lump sum option will be the higher of the two amounts, plus the accumulated value of your match credits.

**If You Become Disabled**

Once you meet the eligibility requirements outlined on page ii of this Appendix B, your retirement benefit, excluding your Match Credit account, will be equal to your grandfathered benefit accrued as of your benefit payment date and will not be reduced for early payment. You may elect any benefit payment date after you meet the eligibility requirements. You will receive credited service during your period of disability until you elect to start receiving payments but not later than age 65. Note that you may want to consider delaying your disability retirement payments to allow your benefit to continue to grow and to avoid having your LTD benefits reduced. Your disability grandfathered benefit will be based on:

- your years of credited service, including service while you are disabled, to your disability retirement date and
- your compensation as of the date you became disabled, as if it continued until your disability retirement date.

Your benefit under the Cash Balance Plan and the “old plan” will be compared, and you will receive the larger of the two benefits.

*Effective after December 31, 2009, the amount of any disability benefit is frozen and no further pay credits, years of credited service, or compensation will have assumed to be earned after such date.*
APPENDIX C

Provisions for Team Members of CARITAS Group

If you were an active team member of CARITAS Group as of December 31, 2005, who joined JHSMH on January 1, 2006, you became a participant in the JHSMH Cash Balance plan on January 1, 2006, if you had earned one year of service with the CARITAS Group. If you had not earned one year of service, you became a participant on the next entry date after you earned a year of service. Service with the CARITAS Group counts for eligibility, vesting, and cash balance points under the Cash Balance Plan.

As a new participant in the cash balance plan, you started with a $0 opening balance in the JHSMH Cash Balance Plan.

Any benefit you had accrued under the Catholic Health Initiatives (CHI) Pension Plan as of December 31, 2005 remains in that plan. Please contact CHI with any questions about your benefits under that plan.

CARITAS Group Transition Credits

Former team members of Sts Mary & Elizabeth Hospital, formerly CARITAS Medical Center, who are grandfathered under the CHI Pension Plan, earn a 2% transition credit per year.

If you terminate employment with JHSMH, begin employment with CHI, and later terminate employment with CHI and immediately return to JHSMH, you will continue to receive transition credits after your rehire.

*Effective after December 31, 2009, the grandfathered benefit is frozen and no further transition credits will be provided.*