

Memorial Healthcare System 401(a) Retirement Plan High Level Summary of Plan Provisions Reflecting 2024 Plan Changes

- **Effective Date** – Plan was originally effective November 1, 2011. Most recent amendment is effective January 1, 2024.
- **Type of Plan** – Account-based plan similar to the RSP Gold Savings Plan except that only MHS is permitted to make a contribution to the eligible employee’s account.
- **Eligible Employee** – Any full-time benefits eligible employee (e.g., working more than 72 hours per pay period and not cash conversion) hired or rehired after 10/31/2011 or any employee who changes from staff relief, part-time status or cash conversion to full-time benefits eligible after 10/31/2011.
- **Plan Year** – January 1st – December 31st
- **Entry Date** – Immediate if age 21 or older and an Eligible Employee
- **Employee Contribution** – None required or allowed.
- **Employer Contribution** – 3.0% of “Compensation” as defined below starting in 2024. Prior to 2024, contribution was 2.5% of “Compensation”.
- **Compensation** – Base hourly rate of pay as of December 31st multiplied by actual regular hours (excluding overtime) earned during Plan Year. Compensation limited by IRS annual compensation limits (\$345,00 for 2024 and \$350,000 for 2025).
- **Contribution Timing** – First Employer Contribution is due as of December 31st (actual payment into plan occurs in following January or February). Participant must be a full-time benefits eligible employee (i.e. working at least 72 hours per pay period) on last day of Plan Year in order to receive a contribution for that year.
- **Investment choices** – Same as currently provided for the RSP Gold 403(b) Plan.
- **Vesting** – 100% after 3 years of Vesting Service starting on January 1, 2024. A year of Vesting Service is calculated as a Period of Service of 1 year.
- **Period of Service** – Aggregate of all time periods commencing with date of hire or reemployment date and ending on the date of termination.
- **Form of Payment** – At termination, participant can receive lump sum equal to vested account balance, either paid to participant or as a direct rollover to an eligible or individual retirement plan, per participant’s consent. Distribution may be deferred unless account does not exceed \$1,000 in which case account will be distributed upon termination of employment.
- **Re-employment** – A participant or former participant who terminated from MHS prior to becoming 100% vested and then is subsequently re-employed by MHS as an Eligible Employee may have his prior years of Vesting Service and all of his nonvested account balance restored if his period of termination is less than five (5) years.
- **Change in status:**
 - Non-eligible employees who change to full-time benefits eligible after 10/31/2011 will enter 401(a) Plan after meeting eligibility requirements. No service after change in status will count under the DB plan.
 - If 401(a) Plan participant changes to non-eligible status, change is not considered a termination of service and benefits will not be distributed. Vesting Service is retained and can be earned while a non-eligible employee, but no additional Employer Contributions will be earned while in a non-eligible status.