

MEMORIAL HEALTHCARE SYSTEM 457(b) Plan

Effective February 27, 2002

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Memorial Healthcare System 457(b)Plan

The South Broward Hospital District, DBA, Memorial Healthcare System, a political subdivision of the State of Florida created by Special Acts 1947, Chapter 24415, Laws of Florida, 1974, and a tax-exempt organization described in Code Section 501(c)(3), herein referred to as “Employer,” in order to encourage savings and to improve retirement benefits of eligible Participants, does hereby establish the Memorial Healthcare System 457(b) Plan for the exclusive benefit of its Qualified Employees on the terms and conditions described hereinafter:

Article 1

Preface

Section 1.1. Effective Date

The Plan was approved by the Board of Commissioners of the Employer on February 27, 2002 (the “Effective Date”). This plan document sets forth the terms of the Plan as of the Effective Date and as of the first day of the Plan Year commencing on January 1, 2003.

Section 1.2. Purpose of Plan

The purpose of this Plan is to promote, in the manner set forth hereinafter, the future economic welfare of the Employees, to develop in those Employees an increased interest in the Employer's successful operation and to encourage Employee savings. The intention of the Employer is that the Employee deferrals, together with the income thereon, shall be accumulated and made available to such Employees upon their retirement, all as set forth hereinafter. It is intended that this Plan qualify as an eligible plan under Code Section 457(b).

Section 1.3. Legal Effect

If the provisions of this Plan and any Annuity Contract or Custodial Agreement that is part of this Plan are found to be contradictory, then the provisions of this Plan document shall apply.

Section 1.4. Form of Plan

The Plan shall be a single employer plan. The total assets of the Plan shall be available solely to provide benefits for any Plan Participant.

Section 1.5. Governing Law

This Plan shall be regulated, construed and administered under the laws of the State of Florida, except when preempted by federal law.

Section 1.6. Headings

The headings and subheadings in this Plan have been inserted for convenience and reference only and are to be ignored in any construction of the provisions hereof.

Section 1.7. Gender and Number

The masculine gender shall be deemed to include the feminine, the feminine gender shall be deemed to include the masculine, and the singular shall include the plural unless otherwise clearly required by the context.

Article 2

Definitions

The following words and phrases, when used herein, shall have the meanings set forth below unless otherwise clearly required by the context:

Section 2.1. Account.

The separate Account(s) that the Plan Administrator maintains under the Plan for a Participant or Beneficiary.

Section 2.2. Annuity Contract.

If selected by the Employer as an investment option, one or more group fixed, variable or combination fixed and variable annuity contracts issued by an insurance company qualified to do business in the Employer's state, which provides for periodic payments at regular intervals, whether for a period certain or during one or more lives, which are non-transferable.

Section 2.3. Annuity Starting Date.

Annuity Starting Date shall mean:

- (a) the first day of the first period for which an amount is payable as an annuity, or
- (b) in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitle the Participant to such benefit.

Section 2.4. Beneficiary.

The person or persons designated by a Participant or Inactive Participant to receive the balance of his Account, if any, after his death.

Section 2.5. Code.

The Internal Revenue Code of 1986, as amended, or as it may be amended from time to time.

Section 2.6. Compensation.

Compensation shall mean, with respect to a taxable year, the Participant's W-2 compensation, as defined in Code Section 415(c)(3), for services performed for the Employer. The amount of Compensation shall be determined without regard to any community property laws.

Section 2.7. Custodial Account.

An account maintained by a Custodian which contains mutual fund shares and other investments purchased for the benefit of Participants who have directed that all or a portion of their Accounts be so invested.

Section 2.8. Custodian.

A bank (within the meaning of Code Section 408(n)), or a nonbank trustee (as described in Section 1.408-2(e) of the Income Tax Regulations) which administers some or all of the assets of the Plan according to the terms of a Custodial Agreement.

Section 2.9. Custodial Agreement.

Any agreement between a Custodian and the Employer under which assets of the Plan are held in Custodial Accounts for Participants and invested in mutual fund shares and other investments. The terms of each Custodial Agreement are hereby incorporated into the Plan by reference.

Section 2.10. Employee.

Any person who is employed by the Employer.

Section 2.11. Employee Deferral Account.

The balance posted to the record of each Participant, Inactive Participant or Beneficiary consisting of elective deferrals of the Participant's Compensation and adjustments as of each Adjustment Date, less any payments therefrom. Each Employee Deferral Account shall include, where appropriate, subaccounts which reflect Employee-directed investments if permitted in Section 9.2.

Section 2.12. Employee Rollover Contribution Account.

The balance posted to the record of each Participant, Inactive Participant or Beneficiary consisting of the Participant's rollovers, pursuant to Article 4, and adjustments as of each Valuation

Date. Each Employee Rollover Contribution Account shall include, where appropriate, subaccounts which reflect Employee-directed investments if permitted in Section 9.2.

Section 2.13. Employer.

The South Broward Hospital District, DBA, Memorial Healthcare System and subsidiaries and adopting Related Employers.

Section 2.14. Fund.

Any of the funds allowed as an investment election under Section 9.2.

Section 2.15. Inactive Participant.

Any person who terminates employment or otherwise ceases to be a Participant but whose interest in the Plan has not been wholly distributed.

Section 2.16. Normal Retirement Age.

For purposes of the special catch-up limitation in Section 4.3(b), the Normal Retirement Age shall be age 70 ½, unless prior to that time, the Participant elects a different Normal Retirement Age in writing. The alternative Normal Retirement Age must be no earlier than the earliest of (i) age 65 or (ii) the earliest age at which the Participant has the right to retire and receive unreduced, immediate retirement benefits from the Employer's basic pension plan, nor later than age 70 ½.

Section 2.17. Normal Retirement Date.

The first day of the month coincident with or next following the Normal Retirement Age of the Participant.

Section 2.18. Participant.

Every Qualified Employee who has elected to make salary deferral contributions to the Plan and who is not an Inactive Participant.

Section 2.19. Plan.

Memorial Healthcare System 457(b) Plan, as herein set out or as duly amended.

Section 2.20. Plan Administrator.

The Employer.

Section 2.21. Plan Year.

The 12-month period ending on December 31 of each year.

Section 2.22. Qualified Employee.

Any Employee who receives W-2 Compensation from the Employer.

Section 2.23. Related Employer.

A corporation which is a member of a controlled group of corporations (within the meaning of Code Sections 1563(a)(1), (a)(2) and (a)(3)) of which the Employer is also a member. Related Employer shall also mean any other trade or business, whether or not incorporated, which is under common control, within the meaning of Code Section 414(c), with the Employer and/or all members of an Affiliated Service Group within the meaning of Code Section 414(m) and any other entity required to be aggregated with the Employer pursuant to regulations prescribed by the Secretary of the Treasury under Code Section 414(o).

Section 2.24. Severance from Employment.

Termination of the Participant's employment relationship with the Employer as a result of death, retirement, or otherwise.

Section 2.25. Valuation Date.

Each business day of the Plan Year.

Article 3

Eligibility and Participation

Section 3.1. Eligibility and Participation.

All Qualified Employees shall be eligible to participate in this Plan on the first day of employment.

A Qualified Employee will become a Participant only if he enrolls and authorizes deferral of a portion of his Compensation, as provided in Section 4.2 of this Plan.

Section 3.2. Qualified Military Service.

Notwithstanding any provisions of this Plan to the contrary, the Plan will provide contributions, benefits, and service credit with respect to qualified military service in accordance with Code Section 414(u).

Article 4

Contributions

Section 4.1. Employer Contribution of Participant Deferrals.

The Employer shall contribute to the Plan for each Plan Year an amount that shall equal the Participant's salary deferrals in Section 4.2. The Employer shall make substantial and recurring contributions to meet the objectives of the Plan.

Section 4.2. Participant Deferrals.

A Qualified Employee may enter into an agreement with the Employer to defer a portion of the Participant's Compensation into the Plan. Such agreement shall be effective as of the first day of the month after the month in which the agreement is entered into, shall apply only to Compensation not paid before its effective date and shall specify the percentage or specific dollar amount of the Participant's Compensation that is to be deferred into the Plan. Notwithstanding the preceding sentence, a new Qualified Employee may defer Compensation payable in the month in which the deferral agreement is entered into, but only if the agreement is entered into on or before the first day on which the Qualified Employee performs services for the Employer. A deferral agreement shall remain in effect until altered or revoked by the Participant. Any change in a deferral agreement shall only apply to Compensation payable in the month after the month in which such change is made.

A Participant may elect to defer accumulated sick pay, accumulated vacation pay, and back pay for any calendar month but only if an agreement providing for the deferral is entered into before the beginning of the month in which the amounts would otherwise be paid and the Participant is an Employee in that month. In the case of accumulated sick pay, vacation pay, or back pay that is payable before the Participant has a Severance from Employment, the requirements of the previous sentence are deemed to be satisfied if the deferral agreement is entered into before the amount is currently available (as defined in the regulations under Code Section 401(k)).

Section 4.3. Limitation on Deferrals.

(a) Except as otherwise provided in the next paragraph, the maximum amount that may be deferred under this Plan by a Participant for the Participant's taxable year shall not exceed the

lesser of the applicable dollar amount (as defined in Code Section 457(e)(15)) or 100% of the Participant's Compensation.

(b) For each of the last three (3) taxable years of a Participant ending before the Participant's attainment of Normal Retirement Age, the maximum amount that may be deferred for each such year shall be the lesser of:

- (1) twice the Applicable Dollar Amount, or
- (2) the sum of the limit under the first paragraph of this Section, plus that portion of such limit not used in each of the prior taxable years of the Participant commencing after 1978 in which the Participant was eligible to participate in this Plan.

A Participant may only use the above catch-up limitation if the Participant has not previously utilized it with respect to any other plan.

(c) In addition to the limit set forth in (a) above and in lieu of the limit set forth in (b) above, a Participant who has or will attain age 50 before the last day of the tax year may contribute an additional amount for such year and subsequent years in an amount not to exceed the catch-up limit under Code Section 414(v)(2) in effect for such year.

Deferrals made pursuant to this Article shall be paid to the Custodian or annuity provider and credited to the Participant's Account. Such deferrals shall be fully vested at all times. Any amounts not elected to be deferred shall be paid to the Participant as current Compensation.

Notwithstanding any other provision of this Plan, any amount deferred in excess of the above limitations shall be distributed to the Participant, with allocable net income, as soon as administratively practicable after the Plan determines that the amount is an excess deferral. An excess deferral as a result of a failure to comply with the individual limitation under Section 1.457-5 of the Income Tax Regulations for a tax year may be distributed to the Participant, with allocable net income, as soon as administratively practicable after the Plan determines that the amount is an excess deferral.

Section 4.4. Rollover Contributions and Plan-to-Plan Transfers.

A Participant who has been a member of another eligible plan under Code Section 457(b), which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a

state or political subdivision of a state; a qualified plan described in Code Section 401(a) or 403(a); a plan or annuity described in Code Section 403(b); or an individual retirement account or annuity may, with the consent of the Plan Administrator or its designee, transfer assets by rollover from said former plan to this Plan. This Plan may also accept plan-to-plan transfers from another eligible governmental plan on behalf of a Participant in accordance with the conditions of paragraphs (b)(2), (3), or (4) of Section 1.457-10(b) of the Income Tax Regulations. A Participant whose account under another eligible governmental plan has been transferred to this Plan shall have an Account under this Plan immediately after the transfer at least equal to the Participant's account under such other plan immediately before the transfer.

Such transferred assets will be fully vested at all times. Any such transferred assets shall be held in a separate account in the name of the Participant and shall reflect the net earnings or net losses of the Plan's investments. However, such assets may be commingled for investment purposes and invested in the same manner as other Plan assets.

Article 5

Retirement Benefits

Section 5.1. Retirement Benefits.

Except as otherwise provided in this Article, a Participant's Account shall become distributable upon the Participant's Severance from Employment. Each Participant shall elect the timing and method of payment of his Account on a form provided by the Custodian or annuity provider. Absent an election by the Participant, the Participant's Account will be distributed in a single, lump sum as soon as administratively practicable in the Plan Year beginning after the Participant's Severance from Employment.

Section 5.2. Methods of Settlement.

Each Participant or Inactive Participant entitled to receive a retirement benefit pursuant to this Article may elect to have his benefit distributed in accordance with the distribution options provided for in the Annuity Contracts/Custodial Accounts in which the Participant is invested.

In no event shall payments under any optional method extend beyond the later of the lifetime of the Participant, the lifetime of the Participant and the Participant's Beneficiary, the life expectancy of the Participant or the joint life expectancies of the Participant and his Beneficiary.

Notwithstanding the above, the amount to be distributed each year must not be less than the quotient obtained by dividing the Participant's benefit by the lesser of (1) the life expectancy of the Participant or joint and last survivor expectancy of the Participant and designated Beneficiary; or (2) if the Participant's spouse is not the designated Beneficiary, the applicable divisor determined from the table set forth in Q&A-4 of Section 1.401(a)(9)-2 of the Income Tax Regulations. Distributions after the death of the Participant shall be calculated using the applicable life expectancy set forth in the preceding paragraph as the relevant divisor.

Notwithstanding the above, in no event will the minimum amount that will be distributed for each distribution calendar year be less than the lesser of:

- (a) the quotient obtained by dividing the Participant's Account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

- (b) if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's Account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

Required minimum distributions will be determined under this Section beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

For purposes of this Section and Article 6, a distribution calendar year is a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year that contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 6.4. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

For purposes of this Section and Article 6, a Participant's Account balance shall be determined as of the last Valuation Date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated as of dates in the valuation calendar year after the Valuation Date and decreased by distributions made in the valuation calendar year after the Valuation Date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

Section 5.3. Commencement of Benefits.

Benefits for a Participant or Inactive Participant must begin no later than the later of April 1 of the calendar year following the calendar year in which the Participant attains age 70 ½ or retires.

Section 5.4. Rollover of Distributions.

Notwithstanding any provision of the Plan to the contrary, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover. A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); any hardship distribution; and the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

An eligible retirement plan is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), a qualified trust described in Code Section 401(a), an annuity contract, or custodial agreement described in Code Section 403(b), or an eligible plan under Code Section 457(b), which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and that accepts the distributee's eligible rollover distribution.

A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse who is the alternate payee under a qualified domestic relations

order, as defined in Code Section 414(p) are distributees with regard to the interest of the spouse or former spouse.

Section 5.5. Distribution Upon Plan Termination.

In the event the Plan is terminated, all amounts deferred under the Plan (and all Plan assets) shall be distributed to Participants and Beneficiaries as soon as administratively practicable after such termination.

Section 5.6. Plan-to-Plan Transfers.

A Participant may direct that his or her Account be transferred to another eligible governmental plan provided the conditions in paragraphs (b)(2), (3), or (4) of Section 1.457-10(b) of the Income Tax Regulations are satisfied. Subject to the requirements of Section 1.457-10(b)(4) of the Income Tax Regulations, this Plan may also allow a transfer of a Participant's Account to a qualified plan (under Code Section 401(a)) maintained by a State.

Article 6

Death Benefits

Section 6.1. Death Prior to Annuity Starting Date.

If a Participant dies prior to his Annuity Starting Date, his Beneficiary shall be entitled to receive the balance of his Accounts, if any. Such death benefit shall be payable to the Beneficiary in accordance with the terms of the Annuity Contracts/Custodial Accounts in which the Participant is invested.

Section 6.2. Death after Annuity Starting Date.

If a Participant dies after his Annuity Starting Date, no benefits will be payable to the Participant's Beneficiary after the Participant's death unless such death benefits are specifically provided for in the form of distribution in effect at the time of the Participant's death.

Section 6.3. Designation of Beneficiary.

Each Participant may name a Beneficiary on a form provided by the Plan Administrator, or its designee, and delivered to the Plan Administrator, or its designee. Such designation may include more than one person with one or more secondary or contingent Beneficiaries and shall be subject to change upon written request of such Participant in the same manner as the original designation. If a Participant fails to name a Beneficiary, payments will be made to his estate. If a Beneficiary is receiving or is entitled to receive payments from the Plan and dies before receiving all of the payments due him, any remaining payments shall be made to the contingent Beneficiary, if any. If there is no contingent Beneficiary, the remaining payments shall be made to the estate of the Beneficiary. If payment is being made to a contingent Beneficiary who dies, the remaining payments shall be made to the estate of the contingent Beneficiary in a lump sum.

Section 6.4. Payment of Death Benefits.

Notwithstanding any provision of this Plan to the contrary, if the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life

expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

- (a) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
- (b) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent year.
- (c) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the remaining life expectancy of the Participant's designated Beneficiary. If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death. If the Participant dies before distributions begin and the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse, this Section will apply as if the surviving spouse were the Participant.

For purposes of this Section, life expectancy is computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.

Notwithstanding the above, if the Participant's surviving spouse is the Participant's sole designated Beneficiary, then, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 ½, if later.

ARTICLE 7

DISTRIBUTIONS PRIOR TO SEPARATION FROM SERVICE

Section 7.1. In-Service Distribution of \$5,000 or Less.

A Participant who is currently an Employee and whose total Account under the Plan does not exceed \$5,000 (or the dollar limit under Code Section 411(a)(11), if greater) may elect to withdraw his entire Account if (1) the Participant has not deferred any amount under the Plan during the two-year period ending on the date of the distribution, and (2) the Participant has not previously received a distribution under this Section.

Section 7.2. Distribution for Unforeseeable Emergency.

A Participant or Beneficiary faced with an unforeseeable emergency may apply to the Plan Administrator, or its designee, for distribution of all or a portion of his Account. As used in this Article, an unforeseeable emergency is a severe financial hardship of a Participant or Beneficiary resulting from an illness or accident of the Participant or Beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in Code Section 152(a)); loss of the Participant's or Beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or the Beneficiary. Except as otherwise provided in this paragraph, the purchase of a home and the payment of college tuition are not unforeseeable emergencies.

A distribution on account of an unforeseeable emergency may not be made to the extent such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's or Beneficiary's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under this Plan.

A distribution because of an unforeseeable emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include any amounts necessary to

pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

ARTICLE 8

LOANS

Section 8.1. Availability of Loans.

At the request of a Participant or Inactive Participant, the Plan Administrator, or its designee, in its sole discretion, may lend such individual an amount which, when added to the individual's outstanding loans from this Plan and any other plan maintained by this Employer or a Related Employer, is not in excess of the lesser of:

- (1) \$50,000, reduced by the excess (if any) of:
 - (A) The highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date on which such loan was made, over
 - (B) The outstanding balance of loans from the Plan on the date on which such loan was made, or
- (2) Fifty percent of his vested interest in his Account determined at the time the loan is made as of the Valuation Date coinciding with or immediately preceding the date of the loan, or
- (3) The value of the Participant's Employer Deferral Account determined at the time the loan is made.

Section 8.2. Loan Guidelines.

All loans made pursuant to the above Section 8.1 must be in accordance with written guidelines set forth in a separate document (or under an Annuity Contract or Custodial Agreement) that shall govern the availability, terms, and procedures for Participants to obtain loans under the Plan. The availability of loans under the Plan may be suspended, terminated, or modified at any time.

ARTICLE 9

ACCOUNTS AND INVESTMENTS

Section 9.1. Establishment of Accounts.

The Plan Administrator shall cause to be maintained for each Participant for recordkeeping purposes only a separate Employee Deferral Account to record his interest in the Plan that is attributable to his deferrals and a separate Employee Rollover Contribution Account to record his interest in the Plan that is attributable to Employee rollover contributions.

The Accounts of each Participant shall be made up of subaccounts reflecting the Participant's investment elections pursuant to Section 9.2. Each subaccount shall be adjusted in accordance with the terms of the Annuity Contract or Custodial Agreement to reflect the net income, gain, or loss of that particular Annuity Contract or Custodial Account.

Section 9.2. Investment Elections.

Each Participant shall elect the manner in which his deferral amounts and rollover contributions are to be invested among the Annuity Contracts and other investments offered under the Plan. In accordance with procedures established by the Plan Administrator, any such election shall specify how any present balance, as of the date before the effective date of the election, and/or any additional contributions, shall be invested. The Plan Administrator shall, from time to time, designate the Annuity Contracts and other investments available under the Plan. The Plan Administrator shall have the right to modify the selection of investment alternatives from time to time.

ARTICLE 10

ADMINISTRATION

Section 10.1. Duty to Administer.

The Plan Administrator shall be responsible for the general administration of the Plan and for carrying out the provisions of the Plan.

Section 10.2. Powers and Duties.

The Plan Administrator or its designee, shall maintain and keep such records as are necessary for the efficient operation of the Plan or as may be required by any applicable law, regulation, or ruling and shall provide for the preparation and filing of such forms or reports as may be required to be filed with any governmental agency or department and with the Participants and/or other persons entitled to benefits under the Plan. The Plan Administrator shall have all powers necessary to carry out the provisions of the Plan. The Plan Administrator shall determine all questions arising in the interpretation, administration and application of the Plan, including questions of fact, eligibility for, amount, time or manner of payment of any benefits hereunder. Any such determination by the Plan Administrator shall be conclusive and binding on all persons to the extent permitted by law. The Plan Administrator shall have the power to delegate any duty or responsibility created hereunder to any person, firm, advisor or counsel and any such person, firm, advisor or counsel may serve in more than one capacity. The Plan Administrator shall be entitled to rely conclusively upon, and shall be fully protected in any actions taken by it in good faith in relying upon any opinions or reports which shall be furnished to it by any accountant, actuary, counsel or other specialist. The Plan Administrator may appoint one or more persons to assist it in its duties hereunder. In the event of such appointment, the person or persons so designated shall be referred to as the "Plan Manager" and may act on behalf of the Plan Administrator in matters of routine administration of the Plan.

Section 10.3. Records and Reports.

The Plan Administrator shall keep a record of all its proceedings and acts and shall keep all books of account, records and other data as may be necessary for proper administration of the Plan.

Section 10.4. Claims and Appeals Procedure.

All claims for benefits under the Plan must be made to the insurer maintaining the Annuity Contract or the Custodian maintaining the Custodial Account under which benefits are payable. Such claims shall be made in writing on forms furnished by the applicable insurer or Custodian. In the event that a benefit hereunder is denied to any Participant or beneficiary (hereinafter "Claimant"), the following procedures shall be applicable:

- (a) The Plan Administrator shall give written notice of the denial of benefit to the Claimant, setting forth the specific reason for the denial in a manner that is calculated to be understood by the Claimant.
- (b) Any Claimant shall have the right to request a review of the determination by the Plan Administrator. Such request for review must be made in writing and must be filed with the Plan Administrator within sixty (60) days of the sending of the Plan Administrator's notice of denial.
- (c) Upon the Claimant's filing of the request for a review of the Plan Administrator's denial, the Plan Administrator shall make its review and notify the Claimant of its decision as soon as administratively feasible after the receipt of the request for review.
- (d) All notices sent to a Claimant by the Plan Administrator shall be sent by certified mail to the last known address of the Claimant as is shown on the records of the Plan Administrator or the Employer.

Section 10.5. Correction of Errors.

Notwithstanding anything to the contrary contained in the Plan, the Plan Administrator or its assignee is expressly empowered to correct any errors made in calculating the amount, form or payee of a benefit. Any such correction may be made retroactively if necessary or desirable.

Section 10.6. Discretionary Authority.

In discharging the duties assigned to it under the Plan, the Custodian, insurance company, Plan Administrator, and any other party shall have the discretion to interpret the Plan; to adopt, amend, and rescind rules and regulations pertaining to their duties under the Plan; and to make all other determinations necessary or advisable for the discharge of their duties under the Plan. Such discretionary authority shall be absolute and exclusive if exercised in a uniform and nondiscriminatory manner with respect to all similarly situated individuals. The express grant in the Plan of any specific power to a fiduciary with respect to any duty assigned to it under the Plan shall not be construed as limiting any power or authority of the fiduciary to discharge its duties.

Article 11

Miscellaneous

Section 11.1. Exclusive Benefit

Notwithstanding any provision of the Plan to the contrary, all amounts held under the Plan, including amounts deferred and earnings or other accumulations attributable thereto, shall be held for the exclusive benefit of Plan Participants and Beneficiaries (i) in Annuity Contracts, or (ii) in Custodial Accounts pursuant to one or more separate written instruments. Any such Annuity Contract or Custodial Account must satisfy the requirements of Code Section 457(g)(1). For purposes of this paragraph, the Custodian of a Custodial Account created pursuant to the Plan must be a bank, as described in Code Section 408(n), or a person who meets the nonbank trustee requirements of paragraphs (2)-(6) of Section 1.408-2(e) of the Income Tax Regulations relating to the use of nonbank trustees. The Employer shall not have any right to Plan assets held by the Custodian or invested in an Annuity Contract and such assets shall not be subject to the claims of the Employer's creditors.

All amounts of Compensation deferred under the Plan shall be transferred to an Annuity Contract or Custodian within a period that is not longer than is reasonable for the proper administration of the Accounts of Participants. Such transfers shall be completed no later than 15 business days after the end of the month in which the Compensation would otherwise have been paid to the Employee.

Section 11.2. Alienation of Benefits

No portion of the Account balance with respect to any Participant shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge except in the case of a qualified domestic relations order as described in Code Section 414(p). Any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void except in the case of a qualified domestic relations order as described in Code Section 414(p). No portion of such Account balance shall in any manner be payable to any assignee, receiver or trustee in bankruptcy, or be liable for the Participant's debts, contracts, liabilities, engagements or torts, or be subject to any legal process of attachment except in the case of a qualified domestic relations order as described in Code Section 414(p). No qualified domestic

relations order shall permit the payment of any benefit in any amount, form of benefit, time of payment, or any option not otherwise provided under the Plan; provided, however, that, to the extent provided in Code Section 414(p), benefits may be paid to an alternate payee in any form in which benefits may be paid to the Participant (even though the Participant has not separated from service) as if he had retired on the date payment is to begin under such order. The Account of any alternate payee shall be paid to such alternate payee immediately if the qualified domestic relations order so states.

Section 11.3. Payment in Event of Incapacity

If any person entitled to any payment under the Plan shall be physically, mentally or legally incapable of receiving or acknowledging receipt of such payment, the Plan Administrator or its designee, upon receipt of satisfactory evidence of his incapacity and satisfactory evidence that another person or institution is maintaining him and that no guardian has been appointed for him, may cause any payment otherwise payable to him to be made to such person or institution so maintaining him.

Section 11.4. Rights of Parties

The establishment of the Plan shall not be construed as conferring any legal or other rights upon any Employee or any person for continuation of employment, nor shall it interfere with the right of the Employer to discharge any Employee or to deal with him without regard to the effect thereof under the Plan.

Article 12

Amendment, Termination, Merger or Consolidation

Section 12.1. Amendment or Termination of Plan

The Employer may at any time amend or terminate this Plan. In the event there is a termination, partial termination, or complete discontinuance of contributions to this Plan, all affected Participants' accounts shall be fully vested and thereafter not subject to forfeiture. The assets shall remain in Annuity Contracts or Custodial Accounts and shall be paid to the Participants, Inactive Participants, Beneficiaries or other successors in interest upon the earliest event providing for distribution in this Plan. Distributions shall be made in the manner allowed in this Plan for that particular event.

Section 12.2. Merger or Consolidation

In the event of any merger or consolidation of the Plan with any other Plan or a transfer of assets or liabilities of the Plan to any other Plan, the amount which each Participant in the Plan would receive if the Plan were terminated immediately after the merger, consolidation, or transfer shall be equal to or greater than the amount he would have been entitled to receive immediately preceding the merger, consolidation, or transfer if the Plan had then terminated.

IN WITNESS WHEREOF, the Memorial Healthcare System 457(b) Plan is, by the authority of the Board of Commissioners of the Employer, executed on behalf of the Employer the _____ day of _____, 2003.

**THE SOUTH BROWARD HOSPITAL DISTRICT, DBA,
MEMORIAL HEALTHCARE SYSTEM**

By:

Authorized Officer

ATTEST

Secretary
(CORPORATE SEAL)