

SOUTH BROWARD HOSPITAL DISTRICT

PENSION PLAN SUMMARY

New Program

(Date of hire between May 1, 2010 and October 31, 2011)

MEMORIAL HEALTHCARE SYSTEM

To MHS Employees:

We are pleased to provide you with this summary of your pension plan. The plan provides a measure of financial security for you and your family as a reward for your long term service. South Broward Hospital District, d.b.a., Memorial Healthcare System (“MHS”) sets aside money in this pension plan while you are working, to provide a steady monthly income for you when you retire. We ask that you read this booklet carefully to obtain a clear understanding of the benefits to which you may be entitled, as well as the circumstances that affect the availability of these benefits.

This booklet describes the provisions of the Retirement Plan for Employees of South Broward Hospital District, Hollywood, Florida (the “Plan”) in effect as of May 1, 2015, which are applicable to you if you are covered by the “new” provisions of the Plan. The benefits provided under the new provisions of the Plan are referred to herein as the “New Program.” If you are covered by the “prior” provisions of the Plan instead of the new provisions, then the terms of the Plan controlling your benefits are described in a different booklet labeled “Prior Program”.

If you are not certain whether you are covered under the New Program, you should read the following paragraphs carefully, as the Plan provides different benefits to distinct groups of participants. You also may contact Transamerica for assistance.

- In general, the New Program will apply to you if you started working full-time for MHS between May 1, 2010 and October 31, 2011. Also, if you were not vested (i.e., had fewer than 5 years of Credited Service) under the Plan when you terminated employment and were rehired between May 1, 2010 and October 31, 2011, the New Program provisions will apply to you. The attached booklet, “Pension Plan Summary – New Program”, describes your benefits.
- The Prior Program provisions generally will apply to you if you began working full-time with MHS prior to May 1, 2010.

Note: If you are hired or re-employed on or after November 1, 2011, you may become eligible for retirement benefits under the Memorial Healthcare System 401(a) Retirement Plan established November 1, 2011.

This summary is intended to provide an easily understood description of the New Program – the way it works, who is a participant, and what benefits are provided. The exact terms of the legal plan documents are more technical. If there are any differences between this summary and the legal documents establishing the Plan, the legal plan documents will govern.

Copies of the Plan document (and any amendments) are available for your review at any reasonable time upon request to Transamerica, or, for a reproduction charge, you can be provided with a complete copy of the Plan and its amendments.

If you have any questions about the New Program after reading this summary, Transamerica will be glad to discuss them with you.

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FUNDAMENTALS OF THE PLAN

Q: What are the general features of the Plan?

The Plan is designed to provide you with a source of steady monthly income beginning when you retire and continuing for the rest of your life. Your benefits from the Plan are in addition to the payments you may receive from Social Security, your savings under the MHS Retirement Savings Plan or any personal savings you've set aside for retirement.

Shown below are some of the highlights of the Plan:

- FLEXIBILITY AS TO WHEN YOU CAN RETIRE – normal, early and late retirement options available
- SEVERAL MONTHLY PAYMENT OPTIONS AND A LUMP SUM OPTION TO CHOOSE FROM
- BENEFITS IF YOU LEAVE MHS BEFORE RETIREMENT AGE AND HAVE AT LEAST 5 YEARS OF SERVICE
- BENEFITS TO YOUR SURVIVING SPOUSE IF YOU SHOULD DIE WHILE EMPLOYED AND HAVE AT LEAST 20 YEARS OF SERVICE, OR HAVE REACHED AGE 55 WITH AT LEAST 10 YEARS OF SERVICE

Q: What is the effective date of the Plan?

The Plan was established May 1, 1969, and was most recently amended and restated as of May 1, 2015. In general, the provisions of the Plan that are in effect when you terminate employment as a covered participant with MHS will be applied in determining your benefit.

Q: Who pays for the Plan?

MHS is the sole contributor to the Plan. You do not, and may not, contribute to the Plan. The contributions made by MHS to the Plan must meet the minimum funding standards required by Florida law.

The contributions are deposited to the pension trust fund and are not allocated to any specific participant's benefit under the Plan. The assets in the pension trust fund are held by the Plan trustee appointed by MHS. All of the amounts that are held in the trust are used to provide promised benefits to participants or to pay administrative expenses of the Plan. Your benefits will be paid exclusively from the assets held in the trust when it is time for you to start receiving benefits.

Q: Who is eligible to participate in the New Program?

Only full-time employees of MHS working at least 72 hours per pay period and hired between May 1, 2010 and October 31, 2011 are eligible to participate in the New Program. Also, if you left MHS before having 5 years of Credited Service and were rehired between May 1, 2010 and October 31, 2011, the New Program provisions will apply to you.

If you were a full-time employee and were hired by MHS prior to May 1, 2010, then generally you will be eligible under the Prior Program provisions that are described in a different booklet.

The Plan was closed effective November 1, 2011. If you are hired or re-employed on or after November 1, 2011, you may become eligible for retirement benefits under the Memorial Healthcare System 401(a) Retirement Plan described in a different booklet. In the case of re-employment on or after November 1, 2011, you will not lose any vested benefits you may have previously earned under the Plan.

If you participate in another retirement program such as the Memorial Healthcare System 401(a) Retirement Plan or the Florida Retirement System (“FRS”) and such participation is funded by MHS, you are not eligible to participate in the Plan.

If you were an active participant in the New Program on December 31, 2014 and transferred to South Florida Community Care Network, LLC (“SFCCN”) between January 1, 2015 and September 30, 2015, you will continue to earn benefits as an active participant in the New Program as long as you remain in continuous employment with SFCCN as a full-time employee. As a result, services performed for SFCCN while such a participant remains a full-time employee of SFCCN is treated as Credited Service under the New Program, compensation paid by SFCCN to such a participant while he or she remains a full-time employee of SFCCN is treated as compensation under the New Program, and such a participant will not be considered to have terminated his or her employment or on a leave of absence while he or she remains a full-time employee of SFCCN. Accordingly, references in this summary to MHS shall also include SFCCN as may be applicable or appropriate in a given context.

If you transfer to a position or employment status with MHS not covered by the Plan, you will no longer be an active participant, but you may retain certain rights and benefits under the Plan.

Q: How is service determined?

Your years of service with MHS, known as “Credited Service”, directly affect your pension eligibility and the amount of your benefit. Credited Service means the number of full years (and fractions thereof to the nearest month) of full-time service with MHS, from your date of full-time employment to the date of your termination of full-time employment. You will receive credit for a month of service if you have completed, or are paid for, at least 16 days of service during that month.

A period of unpaid approved leave of absence up to 31 days is included in determining your Credited Service. If you have a leave of absence due to service in the Armed Forces of the United States, you will receive Credited Service for the period in which you were gone, provided you comply with the requirements of Federal law and you return to your employment within the period provided by such law.

There are other rules that may apply to other special circumstances. Some of these special circumstances may apply in calculating your Credited Service. You should consult Transamerica if you have questions regarding any of your service that may be credited under the Plan. In no event will the Plan give duplicate service credit for the same period of employment or for periods of time in which you are receiving benefit service under FRS that is funded by MHS.

If you are rehired after terminating employment, see the rules described in pages 8-10 later on in this booklet.

Q: What is vesting?

Vesting means earning the right to receive a benefit from the Plan, even if you leave MHS before retirement. To be vested in your Plan benefits, you must have at least five (5) years of Credited Service under the Plan when you terminate employment.

Q: When can I retire?

Your Normal Retirement Date

Your Normal Retirement Date under the New Program is the first of the month on or next following your 65th birthday, provided you have at least 5 years of Credited Service.

Your full monthly pension benefit is payable beginning on your Normal Retirement Date.

Your Early Retirement Date

You may retire as early as age 55 under the New Program if you have at least 10 years of Credited Service.

Your monthly pension payments will start on your Normal Retirement Date, unless you request your pension to start earlier, in which case your monthly amount will be reduced to reflect the longer period of time benefits are expected to be paid -- because you are starting payments at a younger age.

Your Late Retirement Date

If you postpone your retirement and continue working beyond your Normal Retirement Date, you will continue to earn Credited Service if you are a full-time employee. Your benefits will be adjusted to take into account any service and compensation you earn after reaching your Normal Retirement Date.

Q: What retirement benefits does the New Program provide?

Your New Program retirement benefit is based on a formula which takes into account your Credited Service (described earlier in this booklet), your Final Average Compensation, and the Social Security Taxable Wage Base as of the first day of the Plan Year you terminate employment (or the date you transfer to a position or employment status not covered by the Plan, if earlier).

Final Average Compensation

Your Final Average Compensation means your basic rate of salary or wages averaged over the 5 highest consecutive years in the last 10 years of your covered employment with MHS. Any elective deferrals that you make to the MHS savings plan or to a “cafeteria” plan on a pre-tax basis are included. However, bonuses, overtime pay, shift differentials, and other special compensation are excluded from your Final Average Compensation. Pay that can be included under the Plan is limited by Internal Revenue Service (“IRS”) rules for anyone who first entered the Plan on or after May 1, 1996. The IRS adjusts the pay limit periodically – the limit for 2016 is \$265,000 and the limit for 2017 is \$270,000.

Social Security Taxable Wage Base

The New Program formula incorporates the Social Security Taxable Wage Base (“SSTWB”), which is the maximum annual pay on which an employer’s mandatory contribution to the Social Security system is determined. This amount is subject to change each year, based upon the cost-of-living index. The portion of your Final Average Compensation that is above the SSTWB will be multiplied by a higher percentage in the benefit formula. As in many employer-provided pension plans, the formula is designed in this way to work in combination with Social Security to replace approximately the same fraction of final earnings for all employees. Since the Social Security benefit formula replaces a higher percentage of earnings for lower wage earners, the New Program formula replaces a higher percentage of earnings for higher wage earners. The SSTWB for the Plan Year beginning May 1, 2016 is \$118,500, and the SSTWB for the Plan Year beginning May 1, 2017 is \$127,200.

The New Program Benefit Formula

This is the formula that determines the amount of your normal retirement benefit:

<p style="text-align: center;">0.75% (.0075) of your Final Average Compensation up to one-half of the SSTWB PLUS 1.25% (.0125) of your Final Average Compensation between one-half of the SSTWB and the SSTWB PLUS 1.75% (.0175) of your Final Average Compensation above the SSTWB TIMES Your Credited Service</p>

Regardless of this benefit formula, the minimum monthly benefit payable from the New Program at your Normal Retirement Date is \$200 (\$2,400 annually).

Q: How is a normal retirement benefit computed?

Your normal retirement benefit will be determined based on the formula described above, based on your Credited Service, Final Average Compensation, and the SSTWB as of the first day of the Plan Year in which you terminate employment (or the date you transfer to a position or change in your employment status not covered by the Plan, if earlier).

Example: Normal Retirement

Suppose Maria retires on January 1, 2031 at age 65, after completing 20 years of Credited Service, at which time her Final Average Compensation is \$90,000. The estimated SSTWB as of the Plan Year beginning May 1, 2030 is \$175,500. Her normal retirement benefit would be calculated as follows:

$$.0075 \times (.5 \times \$175,500) + .0125 \times (\$90,000 - \$87,750) = \$686.25$$

$$\$686.25 \times 20 = \$13,725.00 \text{ per year}$$

$$\$13,725.00 / 12 = \$1,143.75 \text{ per month}$$

Maria's total monthly normal retirement benefit would be \$1,143.75, which would commence on January 1, 2031 and be payable for the rest of her life. All examples in this booklet are based on a monthly pension benefit payable for the lifetime of the participant.

Q: What if I retire early?

As explained previously in this booklet, you can retire under the New Program as early as age 55 if you have at least 10 years of Credited Service. Your early retirement benefit is calculated in the same way as a normal retirement benefit, and then reduced since you are expected to receive benefits for a longer period of time.

The exact reduction is 0.6% for each month of the first 60 months by which you start payments before your Normal Retirement Date (7.2% per year), plus 0.3% for each month of the next 60 months (3.6% per year), by which you start payments before Normal Retirement Date. The percentages of your full benefit paid earlier than your Normal Retirement Date are shown in the table below:

10 or More Years of Credited Service	
Age at Date of Retirement	% of Benefits Payable
55	46.0%
56	49.6%
57	53.2%
58	56.8%
59	60.4%
60	64.0%
61	71.2%
62	78.4%
63	85.6%
64	92.8%
65	100.0%

Example: Early Retirement

Suppose Alex retires on January 1, 2021 at age 58, after completing 10 years of Credited Service, at which time his Final Average Compensation is \$90,000. The estimated SSTWB as of the Plan Year beginning May 1, 2020 is \$137,100. His normal retirement benefit would be calculated as follows:

$$.0075 \times (.5 \times \$137,100) + .0125 \times (\$90,000 - \$68,550) = \$ 782.25$$

$$\$782.25 \times 10 = \$ 7,822.50 \text{ per year}$$

$$\$7,822.50 / 12 = \$ 651.88 \text{ per month}$$

His monthly normal retirement benefit starting at age 65 would be \$ 651.88, payable for the rest of his life.

If Alex elects to receive his benefit immediately upon his early retirement at age 58, his benefit would be determined as follows, based on the percentage from the table above:

$$\$ 651.88 \times 56.8\% (0.568) = \$370.27$$

His monthly early retirement benefit starting at age 58 would be \$ 370.27, payable for the rest of his life.

Q: What if I work beyond my Normal Retirement Date?

As mentioned earlier in this booklet, you may postpone your retirement and continue working beyond your Normal Retirement Date. You will continue to earn Credited Service if you are a full-time employee, and your benefits will be determined under the same formula used for normal retirement benefits, taking into account any applicable service and compensation you earn after reaching your Normal Retirement Date. Your pension payments will begin on the first day of the month on or after your last day of employment.

Q: What happens on termination of employment?

If you leave MHS after becoming vested, that is, after you have completed 5 years of Credited Service, but before you become eligible for early or normal retirement, you are entitled to a deferred vested benefit starting at your Normal Retirement Date. Your deferred vested benefit is determined by the same formula used for normal retirement benefits.

You may receive this benefit as early as age 55 if you had at least 10 years of Credited Service when you terminated employment. Any payments made before your Normal Retirement Date will be reduced in accordance with the chart shown on page 5 of this booklet.

If you are not vested when you leave MHS, you will not be entitled to any benefits from the Plan.

Q: What forms of payment are available?

You may elect to have your pension benefits paid to you in any one of the forms described in this section, by completing a payment election form before you retire. An explanation of the various options will be provided so that you can make the decision that best suits your requirements. You cannot change your form of payment after benefits begin.

Life Annuity Option

This form of payment provides the highest benefit amount payable monthly for your lifetime. There are no survivor pension benefits under this payment method so there is no reduction to the payment amount for survivor coverage. After your death, there are no benefits payable to anyone.

Period Certain & Life Annuity Options

These forms of payment pay a reduced monthly benefit for your lifetime and may provide monthly benefits to your beneficiary upon your death. You can elect either a 10 or 20-year period certain. If you die after receiving at least 120 monthly payments (if you elected the 10-year period) or after receiving at least 240 monthly payments (if you elected the 20-year period), then benefits will stop upon your death. However, if you die before receiving the guaranteed number of payments, your beneficiary will receive the remainder of those payments. For example, if you elected the 10-year period and 70 monthly payments had been made at the time of your death, then the remaining 50 monthly payments will be made to your beneficiary.

You may designate anyone – spouse, child, sister, brother, etc., as the beneficiary. The person you select does not have any impact on your benefit amount.

Joint & Survivor Options

These options pay a reduced monthly benefit for your lifetime and continue paying monthly benefits to your surviving beneficiary after your death for his or her lifetime. You may choose to have 50% or 100% of the amount you were receiving to be paid to your surviving beneficiary after your death. You may not change or designate a new beneficiary once payments have begun. If your beneficiary dies before you, your benefits will continue in the same amount and will stop upon your death.

You may designate anyone – spouse, child, sister, brother, etc. as the beneficiary, but the younger the beneficiary is, the greater will be the reduction in your monthly benefit because the reduction is based on the life expectancy of both you and your beneficiary. Note that under Internal Revenue Service rules, the 100% survivor form may not be available to a non-spouse beneficiary if he or she is significantly younger than you are.

Lump Sum Payment

If the total value of your benefit is \$50,000 or less, you will be eligible to receive your benefit as a single lump-sum payment after you terminate employment, even if you are not eligible for retirement at that time. A lump sum may be mandatory or optional, depending on the amount.

- **Mandatory Lump Sum:** If the total value of your benefit does not exceed \$5,000, you must receive your benefit as a lump sum as soon as it is administratively feasible to make payment after your termination of employment. You may elect to have the lump sum rolled over to an Individual Retirement Account (IRA) or to a qualified retirement plan of another employer if that plan accepts rollovers in order to defer taxation.
 - If your lump sum does not exceed \$1,000 and you do not make an election of either a rollover or payment to you, then your lump sum will be paid to you.
 - If your lump sum exceeds \$1,000 and is not more than \$5,000, and you do not make an election of either a rollover or payment to you, then your lump sum automatically will be transferred to an IRA opened in your name.
- **Optional Lump Sum:** If the value of your benefit exceeds \$5,000 but is not greater than \$50,000, you may receive your benefit as a single lump sum payment. You may elect to have the lump sum rolled over to an IRA or to a qualified retirement plan of another employer if that plan accepts rollovers in order to defer taxation. If you are eligible for retirement, immediate monthly payment options will also be available. If you are not yet eligible for retirement and do not wish to receive a lump sum, you will need to defer receiving your benefit until you are eligible for a monthly benefit beginning at your earliest retirement date.

If you end employment and the total value of your Plan benefit is more than \$50,000, you cannot receive your benefit as a lump sum.

SPECIAL CIRCUMSTANCES

Q: Are disability benefits provided under the Plan?

If you are judged totally and permanently disabled by the Social Security Administration while working for MHS such that you are entitled to Social Security disability benefits, you will be eligible for disability benefits under the Plan.

Upon becoming eligible, you will be entitled to disability benefits under the Plan computed in the same way as normal retirement benefits, based on your Credited Service and Final Average Compensation at the time of your termination of employment. Benefits may begin as early as the first of the month following the determination of disability by the Social Security Administration. If you elect to have your benefit begin prior to your Normal Retirement Date, it will be reduced to take into account the fact that payments are beginning earlier, in the same manner as early retirement benefits. If payment begins more than 10 years prior to your Normal Retirement Date, the reduction for the additional period shall be 0.3% (0.003) per month (or 3.6% (0.036) per year) by which you start payments before your Normal Retirement Date.

Q: Is a Plan benefit provided in the event of my death?

Death before Commencing Payment of Your Benefit

If you die while working for MHS and you had, prior to your death, either completed 20 years of Credited Service or attained age 55 with at least 10 years of Credited Service, your legal spouse, as defined under State of Florida and federal law, will be entitled to a death benefit under the Plan. Your legal spouse includes the individual of the opposite or same sex to whom you are legally married, but does not include any individual with whom you have entered into a registered domestic partnership, civil union or other similar formal arrangement.

The amount of benefit payable to your spouse under these circumstances is based on the benefit you earned up to the time of your death, and is equal to the survivor's portion of the 50% joint & survivor option. Your spouse can elect to start payments any time after your death, but benefits will be subject to the early retirement reduction factors shown on page 5 of this booklet. Your spouse is required to start payments by the time you would have reached your Normal Retirement Date. If the total value of the benefit due to your spouse does not exceed \$50,000, then a lump sum payment would be an available option.

If you are not married at the time of your death, or if you die after termination of employment prior to commencement of your benefit, no benefits would be payable to any beneficiary.

Death after Commencing Payment of Your Benefit

In the event of your death after your pension benefits have begun, any death benefit payable to your spouse or other surviving beneficiary would be governed entirely by the method under which the pension benefits were being paid.

For example, if you chose the 100% joint & survivor option, your beneficiary will receive payments after your death if he or she is living at that time. If, however, you had chosen the life annuity form of payment, then no payments will be made to anyone after your death.

Q: What happens if I am rehired?

If your employment ends and you are rehired at a future time, the Plan has rules about what happens to your prior service and benefits. In general, this section describes what may happen if you are rehired on or after May 1, 2010.

Break in Service

You stop earning Credited Service under the Plan when you have a break in service. A one-year break in service occurs if you do not have an hour of service with MHS in a 12-month period. Although you may stop earning Credited Service when you have an authorized leave of absence or a change to a non-covered employment status, these events do not cause a break in service.

Impact of Re-employment on Your Pension Benefit

If you were re-employed prior to November 1, 2011:

If you were vested when you terminated employment, then you entered the Plan on your rehire date if you were rehired in a position or employment status covered by the Plan. Your benefit will be determined under the New Program provisions, based on your total Credited Service (including your prior employment period) and your Final Average Compensation when you later leave MHS. If you were paid a lump sum when you first terminated employment, then any future benefit you receive from the Plan will be reduced by the equivalent of the pension benefit you already received so that there is no duplication of benefits.

If you were not vested when you terminated employment and have a one-year break in service, then you must wait one year to enter the Plan if you were rehired in a position or employment status covered by the Plan. If you did not have a one-year break in service, then you entered the Plan on your rehire date (or the first entry date measured from your original date of hire if you were not yet a participant when you terminated employment) if you are rehired in a position or employment status covered by the Plan. Your Credited Service from your prior employment period and the one-year waiting period (if applicable) are counted once you become a participant. Your benefit, based on your total Credited Service and Final Average Compensation when you later leave MHS, will be determined under the New Program provisions.

If you retired and started monthly pension payments, then you continued to receive those payments when you were rehired and you were not allowed to re-enter the Plan.

The chart below shows a summary of how your pension benefit may be impacted if you were covered under the New Program and returned to work before November 1, 2011:

Status When You Left MHS	And You...	Here's What Happens If You Return to Work in an Eligible Status...
Vested	Did not receive any pension payments	You re-enter the Plan on your rehire date. Your benefit will be based on your total Credited Service and your Final Average Compensation when you later leave, under New Program provisions.
Vested	Received a small lump sum distribution of your total benefit	You re-enter the Plan on your rehire date. Your benefit will be based on your total Credited Service and your Final Average Compensation when you later leave, under New Program provisions. Benefit is reduced to account for the value of the benefit payment you already received.
Vested - eligible for retirement	Did not start monthly payments	You re-enter the Plan on your rehire date. Your benefit will be based on your total Credited Service and your Final Average Compensation when you later leave, under New Program provisions.

Status When You Left MHS	And You...	Here's What Happens If You Return to Work in an Eligible Status...
Vested – eligible for retirement	Start monthly payments	You continue receiving monthly payments. You cannot re-enter the Plan.
Not Vested	Did not have a one-year break in service	You re-enter the Plan on your rehire date (or the first entry date measured from your original date of hire if you were not a participant when you terminated employment). Your benefit will be based on your total Credited Service and your Final Average Compensation when you later leave, under New Program provisions.
Not Vested	Had a one-year break in service	You re-enter the Plan after a one-year waiting period. Your prior Credited Service (including the one-year waiting period) is restored. Your benefit will be based on your total Credited Service and your Final Average Compensation when you later leave, under New Program provisions.

If you are re-employed on or after November 1, 2011:

You will not be eligible to re-enter the Plan on your re-employment date. If you were vested at the time of your termination of employment, then you will retain your right to the benefits you previously earned under the Plan. If you were not vested at the time of your termination of employment, then no benefits will be payable to you from the Plan. If you change status to full-time on or after November 1, 2011, you will be treated in the same manner as if you were re-employed on your date of change of status.

If you had retired and started monthly pension payments, then you will continue to receive those payments when you are re-employed and you will not be allowed to re-enter the Plan.

Upon re-employment or change in status to full-time, you may become eligible for retirement benefits under the Memorial Healthcare System 401(a) Retirement Plan, as described in a different booklet.

GENERAL PROVISIONS

Q: How do I apply for benefits?

You must make a request to Transamerica to start your pension benefits. You may be required to fill out an application and other required forms. You also may have to supply copies of any documents requested on the application. These may include birth certificates for you and your beneficiary or other proof of age. Transamerica can provide you with the forms and answer your questions. You can contact Transamerica at www.mhs.trsuretire.com or by calling 1-800-755-5801 Monday through Friday from 6 a.m. to 9 p.m., Eastern Time.

Q: Do I pay taxes on my benefit payments?

The monthly benefits you receive from the Plan generally will be subject to ordinary income taxes. You will be given the opportunity prior to the time your benefits begin to elect the appropriate federal income tax withholding amounts, if any, which should be based on your own personal tax circumstances. A lump sum is subject to a mandatory 20% withholding for federal income taxes unless you roll it to an IRA or other qualified retirement plan. Because the tax laws in this regard are very complex and constantly changing, you should contact your tax advisor if you have any questions before taking a distribution from the Plan.

Q: May I pledge my benefits?

For the protection of your interests and those of your dependents, your pension benefit under the Plan cannot be assigned and is not subject to garnishment or attachment, except to the extent permitted by law. However, if required by applicable state domestic relations law, certain court orders could require that part of your benefit be paid to someone else—your spouse or children, for example in divorce or child support obligations. This type of court order is known as a Qualified Domestic Relations Order (“QDRO”). As soon as you become aware of any court proceedings that might affect your Plan benefits, please contact Transamerica. You may request a copy of the procedures concerning QDROs, including those procedures governing the qualification of a domestic relations order, without charge, from Transamerica.

Q: What is the Plan’s method for handling benefit claims?

Disagreements about benefits can usually be resolved by discussion with Transamerica. However, there is a formal review process with MHS, which is the Plan Administrator, to ensure that any claims for benefits are settled pursuant to a fair and full process based on the Plan’s provisions.

The Plan has procedures for establishment of a claimant’s right to benefits under the Plan. These procedures include a requirement that you complete and file a claim with the Plan Administrator for benefits. In addition, you may be required to supply additional information as requested by the Plan Administrator.

If you claim a right to receive benefits under the Plan and the Plan Administrator does not believe you are entitled to receive all or any part of the benefits claimed, you will be notified in writing generally within ninety (90) days after the Plan Administrator initially received the claim. If you disagree with the Plan Administrator’s determination of the amount of your benefits under the Plan or with respect to any other decision the Plan Administrator may make regarding your interest in the Plan, the Plan contains the appeal procedure you should follow. In brief, if the Plan Administrator determines that it should deny benefits to you or to your beneficiary making a claim for benefits, it will give you or your beneficiary adequate notice in writing, setting forth specific reasons for the denial and referring you or your beneficiary to the pertinent provisions of the Plan supporting its decision. If you or your beneficiary disagree with the Plan Administrator, you or your beneficiary, or a duly authorized representative, must appeal the adverse determination in writing to the Plan Administrator within sixty (60) days after receipt of the

notice of denial of benefits. If you or your beneficiary fails to appeal a denial within the 60-day period, the Plan Administrator's determination will be final and binding.

Q: Can I lose any part of the amount credited on my behalf?

You may lose all of your benefit by terminating service before you become vested in a benefit under the Plan. The fact that your employer has established the Plan does not confer any right to future employment with your employer.

If the Plan terminates, benefits may be lost if the Plan assets are not large enough to cover the benefits. As a governmental plan, this Plan is not covered by the federal government insurance program operated by the Pension Benefit Guaranty Corporation ("PBGC").

The benefits provided by the Plan are subject to certain maximum limits required by the law. In addition, the amount of your compensation that may be considered by the Plan in calculating your benefit cannot exceed maximum compensation limits specified in the law if you became a participant in the Plan on or after May 1, 1996. Each of these limits is reviewed annually and adjusted periodically by the Internal Revenue Service. If your compensation or benefit will exceed the maximum allowable limits for a year, the Plan will be required by the law to limit each of them.

Q: Can the Plan be amended or terminated?

MHS expects to continue the Plan indefinitely but reserves the right to terminate the Plan or to amend it. MHS also reserves the right to suspend contributions in its sole discretion. If the Plan is terminated or amended, each participant's right to his accrued benefit will not be reduced, and none of the trust assets will be diverted or used for any purpose other than for the exclusive benefit of the participants and administrative expenses unless the Plan at termination has more assets than it needs to fully pay all benefits owed.

Q: What are my rights as a Plan participant?

As a participant in the Plan, you are entitled to certain rights and protections under the Florida Protection of Public Employee Retirement Benefits Act ("FPPERBA") which provides that all Plan participants shall be entitled to receive a summary of the Plan and its financial soundness every other year.

In addition to creating rights for Plan participants, FPPERBA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your plan, called "fiduciaries," have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries.

If your claim for a Plan benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan Administrator review and reconsider your claim.

Under FPPERBA, there are steps you can take to enforce the above rights. For instance, if you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state court. If you believe you are entitled to future benefits from the Plan and the Plan Administrator denies your claim clarifying your right to future benefits you may file suit in a state court. If it should happen that Plan fiduciaries misuse the Plan's money, you may file suit in a state court. However, before you file suit in court you must timely follow the administrative process for filing claims with the Plan Administrator including asking for a review of the claim if it is denied.

If you file a suit in 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 (if, for example, it finds that your claim is frivolous).

If you have any questions about the Plan, contact Transamerica at MHS. Please note that as a governmental plan, the Plan is not covered by the Employee Retirement Income Security Act of 1974 (commonly referred to as “ERISA”).

OTHER IMPORTANT INFORMATION

Name of Plan: Retirement Plan for Employees of South Broward Hospital District,
Hollywood, Florida

Name and Address of Sponsor: South Broward Hospital District
3501 Johnson Street
Hollywood, Florida 33021-5421

Employer Identification Number: 59-6014973

Plan Identification Number: 001

Plan Year: May 1- April 30

Plan Administrator: Memorial Healthcare System
3501 Johnson Street
Hollywood, Florida 33021-5421
(954) 987-2000

Trustee: Trustee, Retirement Plan for Employees of South Broward Hospital
District, Hollywood, Florida
3501 Johnson Street
Hollywood, Florida 33021-5421

MHS hopes that this booklet will be helpful to you in understanding your benefits under the New Program. If you have specific questions about the Plan that are not covered by this summary, or if items covered in this summary are not clear to you, please contact Transamerica at **1-800-755-5801** Monday through Friday from 6 a.m. to 9 p.m., Eastern Time.