

## **Catholic Health East Employee Pension Plan**

### **Summary Plan Description Supplement Effective January 1, 2017**

#### **Catholic Health East Plan Participants**

##### **1. Employer**

For purposes of this supplement, the “Employer” is the Catholic Health East System Office.

##### **2. Freeze Date**

The Freeze Date for the Employer is August 29, 2010, except that compensation considered under the Plan was not frozen until December 31, 2010.

##### **3. Plan Benefit**

If you were a Covered Employee of the Employer on or after January 1, 2005, and prior to the Freeze Date, and a participant in the Plan, you may have a Plan Benefit unless it has been forfeited or already paid in accordance with the terms of the Plan. No Covered Employee of the Employer accrued a Plan Benefit after the Freeze Date.

Your Plan Benefit as of any date is the actuarial equivalent amount of your Plan Account payable in the form of a single life annuity (i.e., the Life Only Option) on your Normal Retirement Date (or Late Retirement Date, if applicable).

##### **4. Plan Account**

Your Plan Account as of any date is a bookkeeping account equal to the sum of:

- (a) The lump sum amount that is the product of your Average Annual Compensation and your aggregate Plan Credits as of such date; plus
- (b) If your Average Annual Compensation as of the earlier of the Freeze Date or the date of your termination of employment with the Employer (the “Integration Level Determination Date”) exceeded the Integration Level, the lump sum amount that is the product of your Plan Credits as of the Integration Level Determination Date multiplied by the amount by which your Average Annual Compensation as of the Integration Level Determination Date exceeds the Integration Level. The “Integration Level” equals 50% of the compensation limit under Code Section 401(a)(17) as of the Integration Level Determination Date. As of the Freeze Date, the Integration Level was \$122,500.

Your “Average Annual Compensation” for purposes of determining your Plan Benefit is the average of your compensation for the five complete Plan Years in which you earned the highest compensation from the Employer as a Covered Employee during the period beginning on the date your participation in the Plan began and ending coincident with or prior to the date of determination or the Freeze Date, if earlier. For purposes of determining your “Average Annual Compensation,” the definition of compensation used under the Plan during the Plan Year in which the compensation was earned applies. If, at the date of determination or Freeze Date, if earlier, you had fewer than five complete Plan Years of participation as a Covered Employee in

the Plan, your “Average Annual Compensation” is the average of your compensation for your complete Plan Years. No compensation paid after the Freeze Date is taken into account for purposes of determining your Plan Benefit.

**5. Plan Credits**

For each Plan Year (or portion thereof) beginning on or after January 1, 2005 and prior to August 30, 2010, during which you were a Covered Employee of the Employer and a participant in the Plan in which you were credited with a Year of Benefit Service, a Plan Credit was made to your Plan Account on the last day of the Plan Year (or the date of your severance from employment if your employment with the Employer and all of its Related Employers terminated during the Plan Year) equal to the percentage amount determined in accordance with the following chart based on your years of Vesting Service as of last day of the Plan Year (or the date of your severance from employment if your employment with the Employer and all of its Related Employers terminated during the Plan Year):

<b>Plan Year</b>	<b>One – Five Years of Vesting Service</b>	<b>More than Five – Twenty Years of Vesting Service</b>	<b>More than Twenty Years of Vesting Service</b>
<i>Pre-2009</i>	5%	7.5%	10%
<i>Post-2008</i>	2.5%	5%	7-1/2%

**No Plan Credits were earned after the Freeze Date.**

**6. Prior Plan Benefit**

If you were a Covered Employee of the Employer and a participant in the Plan prior to January 1, 2005, you have a Prior Plan Benefit unless it has been forfeited or already paid in accordance with the terms of the Plan. Compensation for purposes of determining Prior Plan Benefits was frozen effective as of December 31, 2010. Credited Years of Service for purposes of determining Prior Plan Benefits was frozen effective as of December 31, 2004. Accordingly, a Participant’s Prior Plan Benefit is frozen in its entirety effective as of December 31, 2010.

Your monthly Prior Plan Benefit as of a particular date is equal to your monthly Normal Retirement Benefit earned as of that date, payable at your Normal Retirement Date or, if applicable, Late Retirement Date in the form of a single life annuity (Life Only Option) using Credited Years of Service as of the earliest of the date of determination, the date of your termination of employment with the Employer or December 31, 2004, and Plan compensation as of the earliest of the date of determination, the date of your termination of employment with the Employer or December 31, 2010.

Your “Normal Retirement Benefit,” payable commencing on your Normal Retirement Date in the form of a Life Only Option is equal to 1/12<sup>th</sup> of the sum of:

- (a) 1% of your Average Plan Compensation x Credited Years of Service; plus
- (b) .6% of your Average Plan Compensation in excess of Social Security Covered Compensation x Credited Years of Service (subject to a maximum of 35 years).

“Credited Years of Service” and “Social Security Covered Compensation” for any Plan Year are determined based on the provisions of the Plan in effect for the applicable Plan Year.

“Average Plan Compensation” is your highest average annual compensation during the five consecutive completed Plan Years of participation in the Plan in which you received the highest aggregate compensation (or, if you received compensation for a period of less than five completed Plan Years, average annual compensation during all of such consecutive completed Plan Years). No compensation earned after December 31, 2010 is taken into account for purposes of determining Average Plan Compensation. For any Plan Year beginning prior to January 1, 2011, compensation that is counted under the Plan is determined based on the provisions of the Plan in effect for the applicable Plan Year.

If you have a “Division Benefit,” your Normal Retirement Benefit determined in accordance with the above is reduced by the Division Benefit. A “Division Benefit” is a benefit under any other qualified retirement or pension plan described in Section 401(a) of the Code (excluding any plans described in section 401(k) or 403(b) of the Code) sponsored by a Related Organization listed in Schedule A to this supplement, valued as a single life annuity commencing at your Normal Retirement Date using the actuarial factors of the Plan.

#### **7. Early Retirement Benefit**

The amount of your Prior Plan Benefit payable as an early retirement benefit is your Prior Plan Benefit as of your early retirement date, permanently reduced by 1/180<sup>th</sup> for each of the first 60 complete calendar months and by 1/300<sup>th</sup> for each of the next 60 complete calendar months by which your early retirement date is before your Normal Retirement Date. You may not elect to begin to receive payment of your vested Prior Plan Benefit in the form of monthly payments beginning before you attain age 55.

#### **8. What Happens To My Benefit If I Die Before I Retire?**

In addition to the provisions in the SPD regarding what happens to your benefit if you die before payment begins, if you die before payment of your Prior Plan Benefit begins and you are not married on the date of your death, the lump sum value of the survivor portion of your Prior Plan Benefit is payable to your Beneficiary or estate.

## Schedule A

### RELATED ORGANIZATIONS

- 1) Holy Cross Health System, Fort Lauderdale, Florida
- 2) Mercy Community Health, West Hartford, Connecticut
- 3) Mercy Health System, Miami, Florida
- 4) Mercy Health System of Maine, Portland, Maine
- 5) Mercy Health System of Southeastern Pennsylvania, Conshohocken, Pennsylvania
- 6) Mercy Medical, Daphne, Alabama
- 7) Mercycare Corporation, Albany, New York
- 8) Our Lady of Lourdes Healthcare Services, Camden, New Jersey
- 9) Pittsburgh Mercy Health System, Pittsburgh, Pennsylvania
- 10) St. James Mercy Health System, Hornell, New York
- 11) St. Joseph-of-the-Pines Health System, Pinehurst, North Carolina
- 12) Saint Joseph's Health System, Atlanta, Georgia
- 13) St. Mary's Health System, Athens, Georgia
- 14) Sisters of Providence Health System, Springfield, Massachusetts
- 15) Uihlein Mercy, Lake Placid, New York
- 16) Nazareth Hospital, Philadelphia, Pennsylvania
- 17) St. Agnes Medical Center, Philadelphia, Pennsylvania
- 18) St. Francis Healthcare Services, Wilmington, Delaware
- 19) St. Mary Medical Center, Langhorne, Pennsylvania
- 20) St. Francis Medical Center, Trenton, New Jersey
- 21) Catholic Health Initiatives
- 22) Baycare Health System, Tampa/St. Petersburg, Florida
- 23) Catholic Health System of Western New York, Buffalo, New York
- 24) Intracoastal Health System, West Palm Beach, Florida