

Catholic Health East Employee Pension Plan

Summary Plan Description Supplement Effective January 1, 2017

Mercy JH Inc. Plan Participants

1. Employer

For purposes of this supplement, the “Employer” is Mercy JH Inc. (formerly known as Mercy Jeannette District Memorial Hospital including effective January 1, 1991, Jefferson Properties, and effective November 1, 2000, Jeannette Medical Providers) and any of its Related Employers which adopted the Retirement Plan for Employees of Mercy JH Inc., as well as any predecessor plan or plan merged into the plan (“Mercy Jeannette Plan”).

2. Freeze Date

The Freeze Date for the Employer is June 30, 2008.

3. Plan Benefit

You are not eligible for a Plan Benefit as a result of employment as a Covered Employee of the Employer.

4. Prior Plan Benefit

If you were a participant in the Mercy Jeanette Plan as in effect on June 30, 2008 which was not forfeited or paid in full prior to December 31, 2011, the date the Mercy Jeannette Plan merged into the Plan, you have a Prior Plan Benefit under the Plan.

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).

The “Normal Retirement Age” for your Prior Plan Benefit described in this supplement is the later of the date on which you turn age 65 or the fifth anniversary of the date on which you commenced participation in the Mercy Jeanette Plan.

(a) PEP Benefit.

- (i) Most Employees of the Employer who were participants in the Mercy Jeannette Plan earned a PEP Benefit on and after January 1, 2005 through the Freeze Date (or their termination of employment with the Employer, if earlier) and stopped earning any other benefit under the Mercy Jeannette Plan effective December 31, 2004. Different rules applied if you were an Employee of the Employer who was part of the unit of employees covered by the collective bargaining agreement between the Employer and the Teamsters or the collective bargaining agreement between the Employer and the PASNAP. If this applies to you, please contact the Trinity Health Pension Plan Office at 800.793.4733 for additional information.

- (ii) On any date of determination, your PEP Benefit is your PEP Account converted into a single life annuity (Life Only Option) payable on your Normal Retirement Date (or Late Retirement Date, if applicable) using the actuarial factors in the Plan based on your age and assumptions about future interest rates and your life expectancy.
- (iii) Your PEP Account is a bookkeeping account that, on any date of determination, is equal to your PEP Credits multiplied by your Average Annual Compensation as of the determination date. Your “Average Annual Compensation” is the average of your Compensation for the five full calendar years of your employment with the Employer (regardless of whether consecutive) during which your Compensation is the highest. However, if you were credited with at least 250 Hours of Service from January 1, 2008 through June 30, 2008, your Compensation paid during this period was annualized, and such annualized compensation was treated as Compensation for a full calendar year of employment with the Employer for purposes of determining your Average Annual Compensation. Your “Compensation” for any Plan Year was determined based on the provisions of the Mercy Jeannette Plan in effect for the applicable Plan Year. Compensation earned after the applicable Freeze Date is not taken into account in determining your Average Annual Compensation.
- (iv) For each PEP Year of Service prior to the Freeze Date, a PEP Credit was made to your PEP Account on the last day of the Plan Year (or the date of your termination of employment with the Employer if your employment terminated during the Plan Year) equal to the percentage amount determined in accordance with the following chart and based on your PEP Years of Service as of the last day of the Plan Year (or the date of your termination of employment with the Employer if your employment terminated during the Plan Year):

<u>PEP Years of Service</u>	<u>Percentage of Pay</u>
Level A: 1 – 5	2.5%
Level B: 6 – 20	5.0%
Level C: 21 or more	7.5%

Your “PEP Years of Service” for any Plan Year were your “Years of Service” for that Plan Year based on the provisions of the Mercy Jeannette Plan in effect for that Plan Year. In general your PEP Years of Service did not include any period of your employment with the Employer or a Related Employer before you became eligible to accrue a PEP Benefit. However, your total years of Service, including years prior to the time you were eligible to accrue a PEP Benefit, were taken into account in determining which level of PEP Credit was made to your PEP Account. No PEP Years of Service are granted for any period occurring after the Freeze Date.

(b) Normal Retirement Benefit.

In general, your monthly "Normal Retirement Benefit," payable commencing on your Normal Retirement Date in the form of a Life Only Option is equal to the sum of your PEP Benefit, if any, and Non-PEP Benefit, if any. Your Non-PEP Benefit is equal to the sum of the following:

- (i) Six dollars (\$6.00) plus one and one-quarter percent (1-1/4%) of your Average Monthly Earnings in excess of five hundred fifty dollars (\$550), with such sum multiplied by your years of Credited Service earned prior to March 1, 1983; plus
- (ii) Eight dollars (\$8.00) plus one and one quarter percent (1-1/4%) of your Average Monthly Earnings in excess of five hundred fifty dollars (\$550), with such sum multiplied by your years of Credited Service earned on and after March 1, 1983, but before January 1, 1989; plus
- (iii) Nine dollars (\$9.00) plus one and one-quarter percent (1-1/4%) of your Average Monthly Earnings in excess of five hundred fifty dollars (\$550), with such sum multiplied by your years of Credited Service earned on and after January 1, 1989 but before January 1, 1992; plus
- (iv) Ten dollars (\$10.00) plus one and one-quarter percent (1-1/4%) of your Average Monthly Earnings in excess of five hundred fifty dollars (\$550), with such sum multiplied by your years of Credited Service earned on and after January 1, 1992

(Effective January 1, 2005, all Non-PEP Benefit accruals in accordance with (i) through (iv) above, were generally frozen. If you were an Employee of the Employer who was part of the unit of employees covered by the collective bargaining agreement between the Employer and the Teamsters, non-PEP accruals froze as of January 1, 2008, and if you were an Employee of the Employer who was part of the unit of employees covered by the collective bargaining agreement between the Employer and the PASNAP and you were a participant in the Mercy Jeannette Plan between December 31, 2004 and December 31, 2005 who did not make a timely and proper election on or before December 31, 2005 to accrue a PEP Benefit, no additional Prior Plan Benefit described in this supplement was accrued after the Freeze Date.

If you were a participant in the Mercy Jeanette Plan in effect prior to September 1, 1970, you have a minimum Normal Retirement Benefit. If this applies to you, please contact the Trinity Health Pension Plan Office at 800.793.4733 for additional information.

Your "Average Monthly Earnings" is the total Monthly Earnings you received from the Employer for the highest five (5) full consecutive calendar years of employment out of ten (10) calendar years of employment immediately preceding (i) your payment commencement date, death or termination of employment with the Employer whichever occurs first or (ii) if earlier, July 1, 2008. Only full calendar years of employment with the Employer are taken into account for purposes of computing this five (5) year average. However, if you were credited with at least 250 Hours of Service from January 1, 2008 through June 30, 2008, your Monthly Earnings paid during this period were treated as occurring in a full calendar year of employment for purposes of determining your Average Monthly Earnings. If you received earnings for less than five (5) full consecutive calendar years, your Average Monthly Earnings is the average of your

Monthly Earnings during the period that you received Monthly Earnings. Your “Credited Service” and “Monthly Earnings” for a Plan Year were determined based on the provisions of the Mercy Jeannette Plan in effect for the applicable Plan Year. Monthly Earnings earned after the applicable Freeze Date are not taken into account in determining your Prior Plan Benefit described in this supplement.

5. Early Retirement Benefit

The amount of the PEP Benefit portion of your Prior Plan Benefit payable as an early retirement benefit is your PEP Benefit as of your early retirement date and the amount of the Non-PEP Benefit portion of your Prior Plan Benefit payable as an early retirement benefit is your Non-PEP Benefit as of your early retirement date, permanently reduced by the applicable Plan actuarial factors. 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.

6. Vesting

The vesting provisions in the SPD generally apply to your Prior Plan Benefit described in this supplement. However, the following vesting schedule applies to the PEP Benefit portion of your Prior Plan Benefit described in this supplement instead of the vesting schedule in the SPD:

<u>Accumulated Years of Vesting Service</u>	<u>Vested Percentage</u>
Less than 3 years	0%
3 years or more	100%

In addition to the above and vesting provisions in the SPD, if you were actively employed by the Employer as of April 30, 2008, you are 100% vested in your Prior Plan Benefit described in this supplement.

7. How Will My Benefit Be Paid?

Your PEP Benefit is payable in the same manner as described for a Plan Benefit in this section of the SPD. In addition to the optional forms of payment in the SPD, if you have reached your Normal Retirement Date or you have terminated from employment with Trinity Health, the participating Employers and all of their Related Employers, you may elect to receive payment of the Non-PEP Benefit portion of your vested Prior Plan Benefit, if any, in the form of a single lump sum payment if the lump sum value of your Non-PEP Benefit is \$10,000 or less. Your Non-PEP Benefit is converted to a lump sum using the applicable Plan actuarial factors.

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 the Non-PEP Benefit portion of your Prior Plan Benefit, if any, begins and you are not married on the date of your death, no preretirement death benefit of the Non-PEP Benefit portion of your Prior Plan Benefit, if any, is payable.