Introduction

The Defined Benefit Pension Plan (DB) is a retirement plan that provides a source of income to vested participants at retirement. It is funded by SSM Health for your financial security. Learn about the Plan, become familiar with it, and when you retire, enjoy its benefits.

About the Summary Plan Description

This Summary Plan Description (SPD) is intended to serve as a summary of the Defined Benefit Pension Plan in effect on January 1, 2016. It has been prepared with great care, and we believe it to be accurate.

In the event of a conflict between the information in this SPD and the terms of the Plan stated in the official Plan Document, the Plan Document will govern.

Only service at a health care ministry that participates in the Defined Benefit Pension Plan will be used to determine your benefit amount based on plan provisions in effect while you were an eligible participant in the Plan.

SSM Health reserves the right to amend or terminate this Plan at any time and for any reason, however, no amendment, modification or termination may reduce your Frozen or Accrued Benefit under the Plan.

Special Note

The benefits under this Plan are not insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. SSM Health funds the Plan on a regular basis in an effort to ensure that Plan assets are sufficient to pay employees’ accrued benefits.
Important Plan Notice

In Plan Year 2016, SSM Health began a transition from the Defined Benefit (DB) Pension Plan, as the primary retirement plan, to a Defined Contribution (DC) Plan. (Please refer to the SSM Health Employer Contribution Basic/Match Plan Summary Plan Description for information pertaining to the plan.) Active Participants who had 50 or more points at the end of Plan Year 2015 and five (5) or more Years of 800 hours of Credited Service remain in the Defined Benefit Pension Plan until the end of Plan Year 2020 provided Participants remain actively employed at a participating DB ministry through 2020. Participants with fewer than 50 points or those with more than 50 points who did not have five (5) Years of 800 hours Credited Service at the end of Plan Year 2015 transitioned to the Defined Contribution Plan beginning in Plan Year 2016. All benefits accrued in the Defined Benefit Pension Plan at the time of transition are “frozen”. If a Participant is not fully vested at the time of transition, Vesting Service will continue to be earned in the Defined Benefit Pension Plan, subject to Plan provisions and/or acquisition agreement, provided Participant remains an active SSM Health employee with no Break-in-Service.

All active Participants in the Defined Benefit Pension Plan at the end of Plan Year 2020 will transition to the Defined Contribution Plan beginning in Plan Year 2021. No Credited Service will be earned by any Participant in the Defined Benefit Pension Plan after Plan Year 2020. All benefits accrued in the Plan at the time of transition will be “frozen”. If a Participant is not fully vested in the Defined Benefit Pension Plan at the time of transition, Vesting Service will continue to be earned in the Plan, subject to Plan provisions and acquisition agreement, provided Participant remains an active SSM Health employee with no Break-in-Service.

You have a right to the benefits you earn in the Plan provided you are vested at the time of termination.

Employees hired, rehired, transferring into a DB Plan ministry, or returning from severance on or after January 1, 2016 are not eligible to participate in the Defined Benefit Pension Plan or earn additional Credited Service in the Plan.
Summary Plan Description Format

Key terms applicable to the Defined Benefit Pension Plan are capitalized throughout all sections of this booklet and definitions are provided in Section 1. The Defined Benefit Pension Plan is outlined in Section 2 of this booklet including Plan Formula(s). Defined Benefit Pension Payments are outlined in Section 3; Plan Administration is outlined in Section 4.
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Definitions

- **Accrued Benefit**
  Benefit earned in the Defined Benefit Pension Plan expressed as a single life annuity at age 65 or Participant’s Normal Retirement Age under Plan provisions. This may be a benefit in which Participant is fully vested or a benefit that has been earned but in which the Participant is not vested.

- **Break in Service**
  A Break in Service is incurred when an Employee who is not fully vested leaves the Employer and does not return to employment with the Employer within five (5) calendar years following termination. Former employees incur a one-year Break in Service during any Plan Year following termination date in which one hour of service is not completed. If five consecutive years elapse before the rehire date, prior Vesting and Credited Service are forfeited. An employee classified as “PRN” or an "occasional employee” (as determined by the Employer in its sole discretion under its standard personnel policies) who has not had a termination of employment from the Employer shall not incur a Break in Service.

- **Break Point**
  The Break Point is 35% of the Social Security wage base (maximum amount of earned income on which an employee must pay Social Security taxes) rounded down to the nearest hundred. For example, assuming the wage base is $128,400, the annual Break Point would be $44,900 ($128,400 x 35%) or approximately $3,700 per month. Benefit is calculated using the Break Point during final year of plan participation except when plan provisions require otherwise.

- **Claimant**
  A Claimant can be an SSM Health employee or former employee, a Plan Participant or Former Plan Participant, a spouse or a beneficiary. A Claimant may submit a claim for benefits under the Defined Benefit Pension Plan.

- **Compensation**
  See definition of Eligible Compensation on Page 1-2.

- **Credited Service**
  Service that is earned when a Participant has attained age 18 and completes a minimum of 800 hours during a Plan Year at a ministry that participates in the Defined Benefit Pension Plan. Credited Service is earned based on a prorated schedule provided on Page 2-2.
Definitions

- **Defined Benefit Pension Plan (DB Plan – also referred to as Plan)**

  A Defined Benefit Pension Plan is a company retirement plan in which vested employees receive a specific amount at retirement that is typically defined by a formula that utilizes salary history and years of Credited Service. Contributions may be made by the employer or both the employer and employee. The benefit calculated under the specified formula is used to determine and provide retirement benefits. For purposes of this SPD, Defined Benefit Pension Plan refers to the following:

  - Retirement Plan for Employees of SSM Health Care
  - Retirement Plan for Employees of St. Mary’s Hospital, Centralia, Illinois
  - Retirement Plan for Employees of Certain Illinois Entities Related to SSM Health Care

- **Defined Contribution Plan (DC Plan)**

  A Defined Contribution Plan is a type of retirement plan in which the employer, employee or both make contributions on a regular basis. Individual accounts are established for participants, and benefits are based on the amounts contributed to these accounts. The contributions are then invested, and the returns on the investment (which may be positive or negative) are credited to participants’ accounts. Retirement benefits are provided to participants from their account balances.

- **Disability**

  Any illness, injury, occurrence or circumstance defined in the long-term disability plan (LTD Plan) sponsored by the Employer under which a Participant has become entitled to benefits under the LTD Plan. In the case of a Participant who is not covered under the LTD Plan, any illness, injury, occurrence or circumstance with respect to which the Social Security Administration has determined that he or she is disabled.

- **Distribution**

  A distribution of funds from a Qualified Retirement Plan in the form of monthly income or a lump sum withdrawal that meets the Plan’s requirements.

- **Eligible Compensation (also referred to as Compensation)**

  Eligible Compensation for Plan purposes (up to the IRS annual maximum) means wages, certain bonuses and earnings, overtime pay, shift differential, contributions to the SSM Health Employee Contribution 403(b) Plan and before-tax contributions to the flexible benefits program earned at an SSM ministry that participates in the Defined Benefit Pension Plan. Severance, an exchange of cash for unused vacation days paid during the year or at termination of employment, and other cash fringe benefits are not included in determining annual Eligible Compensation. All other types of compensation are excluded from this definition.

  **Please Note:** Federal regulations impose a limit on the maximum compensation that a Qualified Retirement Plan can use to calculate a participant’s retirement benefit (subject to inflation adjustments and transitional rules). If an employee’s compensation exceeds the annual legislative limit, benefit accruals will be calculated up to the limit. Compensation in excess of the limit will be calculated and paid by the SSM Health Care Pension Restoration Plan when applicable. See definition of Pension Restoration Plan on Page 1-5 for Compensation in excess of Qualified Plan limits.
Definitions

- **Eligible Employee**
  Employee of an SSM Health ministry that participates in Defined Benefit Pension Plan who meets eligibility/participation requirements on Page 2-1.

- **Employer**
  References to the Employer in this SPD refer to SSM Health ministries that participate in the Defined Benefit Pension Plan for purposes of Credited Service. Vesting service can be earned at any SSM Health ministry per Plan provisions and acquisition agreement if applicable.

- **Frozen Benefit**
  The benefit accrued by a Participant up to a specific date when benefit accruals are either discontinued or there is a formula revision in a pension plan. Employees in the Defined Benefit Pension Plan will not earn additional benefit accruals under the formula or the previous plan after the date benefit accruals were frozen. A Frozen Benefit is expressed as a single life annuity at the Plan’s normal retirement age of 65 or Normal Retirement Age under Plan provisions.

- **Acquisition Frozen Benefit**
  Individuals who were actively employed by an organization that was acquired by SSM Health on the date of acquisition as shown on page 2-3 and marked by an asterisk may have an Acquisition Frozen Benefit from their previous employer’s defined benefit retirement plan (provided eligibility requirements were satisfied). The Acquisition Frozen Benefit will be included in the benefit payable from SSM Health’s Defined Benefit Pension Plan at termination or retirement and will be listed separately on benefit calculation (vesting requirements are applicable).

- **2012 Frozen Benefit**
  Individuals who were employed by an SSM Health ministry that participated in the Defined Benefit Pension Plan (DB Plan) through December 31, 2012 with fewer than 70 Points may have a frozen benefit calculated under the formula in effect before PY 2013. The 2012 Frozen Benefit will be included with any benefit earned under the 2013 Plan formula through the date participation in the DB Plan ends. DB Plan vesting requirements must be met to have a benefit payable from the Plan. Employees who are age 62 or older can receive payment of their benefit while still employed by SSM Health.

- **2015 Frozen Benefit**
  Individuals who were employed by an SSM Health ministry that participated in the Defined Benefit Pension Plan through December 31, 2015 and had fewer than 50 Points or fewer than five (5) Years of Credited Service may have a frozen benefit calculated under the formula in effect at the end of PY 2015. The 2015 Frozen Benefit will remain in the DB Plan and will be available to participants after their SSM Health employment ends or when they begin benefit payments while still employed by SSM Health (must be age 62 or older to receive payment of the benefit while still an SSM Health employee). DB Plan vesting requirements are applicable.
Definitions

- **2020 Frozen Benefit**
  Individuals employed by an SSM Health ministry participating in the DB Plan through the end of PY 2020 may have a frozen benefit. The 2020 Frozen Benefit will remain in the DB Plan and will be available to participants after their SSM Health employment ends or when they begin benefit payments while still employed by SSM Health (must be age 62 or older to receive benefit payment while still an SSM Health employee). DB Plan vesting requirements are applicable.

- **Grandparented**
  Participants who meet established set criteria and, therefore, are not impacted by specific Plan amendment(s).

  - **2012 Grandparented**
    Participants employed on December 31, 2012 by an SSM Health ministry that participated in the DB Plan and had 70 or more Points (based on age as of December 31, 2012, and Years of DB Plan Credited Service at the end of PY 2012). Retirement benefits for 2012 Grandparented Participants are calculated under the formula that was in effect at the end of PY 2012 until the earlier of the date their DB Plan participation ends (either at termination, severance or transfer to an SSM Health ministry that does not participate in the DB Plan) or the end of PY 2020.

  - **2015 Grandparented**
    Participants employed on December 31, 2015 by an SSM Health ministry that participated in the DB Plan and met the following requirements:
    - Completion of a minimum of five (5) Years of Credited Service (800 or more hours in a Plan Year) and
    - Earned a total of 50 Points based on age as of December 31, 2015, and Years of DC Credited Service at the end of PY 2015

    2015 Grandparented Participants will continue to accrue benefits in the DB Plan until their Plan participation ends (either at termination, severance or transfer to an SSM Health ministry that does not participate in the DB Plan) or the end of PY 2020.

- **Hours of Service**
  Hours worked for which an employee receives Eligible Compensation plus certain management-approved hours an employee does not work, including, but not limited to:
    - Vacation or Paid Time Off (provided time off is actually taken and not paid as a cash payment in lieu of paid time off or at termination), holiday, illness, or incapacity
    - Paid leaves of absence
    - Low Census Hours (only applicable for an employee’s regularly scheduled hours in a pay period)
    - Military leaves of absence (must be re-employed by SSM Health consistent with federal regulations)
    - Jury Duty
    - Hours for which back Compensation is awarded
Definitions

- **Internal Revenue Code (IRC)**
  The federal agency responsible for administering and enforcing the Treasury Department’s revenue laws, through the assessment and collection of taxes, determination of pension plan qualification and related activities.

- **Normal Retirement Age**
  Age at which Participant is entitled to an unreduced pension benefit. Please refer to Page 3-1.

- **Not Grandparented (also referred to as Non Grandparented)**
  Participants at a Defined Benefit ministry who did not meet Grandparented status including:
  - Participants with fewer than 70 points at the end of Plan Year 2012 who earn benefits under the 2013 Plan Formula and/or
  - Participants at a Defined Benefit ministry with fewer than 50 points or less than five (5) Years of DC Credited Service at the end of Plan Year 2015.

- **Paid Time Off Exchange Programs**
  Paid Time Off Exchange Programs allow employees to sell a specified number of unused vacation days back to the employer. In lieu of taking paid time off, the employee receives a cash payment for the unused vacation days allowed by the program, which will be factored into paychecks and appropriately taxed. The pay and hours attributable to an exchange of paid time off are excluded from Eligible Compensation and Hours of Service under Plan provisions.

- **Pension Restoration Plan**
  When a Participant’s Compensation exceeds the IRS limit for qualified retirement plans, benefit accruals attributable to Compensation in excess of the limit will be calculated and paid by the SSM Health Care Pension Restoration Plan when applicable (vesting requirements apply).

- **Phased Retirement**
  Participants who meet vesting requirements, are age 62 or older and wish to commence retirement benefits while still employed at an SSM Health ministry participating in the Defined Benefit Pension Plan.

- **Plan Document**
  Plan Document is a written instrument under which a plan is established and operated. It is the master description of benefits under which the Employer’s retirement plan is administered.

- **Plan Formula**
  Method used to calculate benefit payments for vested Participants.
Definitions

- **2012 Plan Formula**
  
  Method used to calculate benefit payments effective at the end of PY 2012. Employees who were Grandparented in 2012 continue to earn benefits under the 2012 Plan Formula until their DB Plan participation ends, or the end of PY 2020, whichever is sooner.

  **Please Note:** 2012 Plan formula can be found on Pages 2-6 and 2-7 for all SSM Health ministries who participate in the Defined Benefit Pension Plan with the exception of SSM Health Good Samaritan Hospital-Mt. Vernon, SSM Health St. Mary’s Hospital-Centralia, and Physician Services of Southern Illinois. For SSM Health Good Samaritan Hospital-Mt. Vernon, SSM Health St. Mary’s Hospital-Centralia, and Physician Services of Southern Illinois, 2012 Plan Formula can be found on Pages 2-8 and 2-9.

- **2013 Plan Formula**
  
  Method used to calculate benefit payments for 2012 Non-Grandparented employees who were employed at a DB Plan ministry on or after PY 2013.

- **Plan Participant**
  
  An SSM Health employee who meets eligibility requirements for the Defined Benefit Pension Plan.

- **Plan Year**
  
  The period of time corresponding to the information reported on the W-2 Treasury Form for a calendar year.

- **Points**
  
  Points, for the purpose of determining Defined Benefit Pension Plan eligibility and grandparented status, are calculated by adding employee’s age in full years (as of December 31) plus Years of Credited Service at the end of Plan Year 2012 and/or 2015.

- **Qualified Domestic Relations Order (QDRO)**
  
  A Qualified Domestic Relations Order is a judicial order in the United States, entered as part of a property division in a divorce or legal separation, that splits a retirement or pension plan benefit by recognizing joint marital ownership interests in the Plan, specifically the former spouse's interest in the plan participant spouse's share of the asset.

- **Qualified Retirement Plan**
  
  A plan that satisfies the requirements of the Internal Revenue Code in both form and operation and is thus eligible for favorable tax treatment. That means that the provisions in the Plan Document must satisfy the requirements of the Code and that those plan provisions must be followed. The IRS administers a determination letter program that enables plan sponsors to get advance assurance as to the qualified status of their retirement plan.
Section 1

Definitions

- **SSM Health Ministry**
  
  A member organization of the SSM Health Care Corporation.

- **Spousal Consent**

  Plan provisions do not permit married participants to elect a payment option other than a Joint & Survivor benefit without spousal consent. If a benefit payment option is chosen that does not include the spouse as a Joint & Survivor beneficiary, the spouse must acknowledge consent in writing and signature must be notarized or witnessed by Plan representative.

- **USERRA**

  The *Uniformed Services Employment and Reemployment Rights Act* of 1994 was passed by U.S. Congress and signed into law on October 13, 1994 to protect the civilian employment of non-full-time military personnel in the United States called to active duty. The law applies to all United States uniformed services and their respective reserve components.

- **Vesting Service**

  Participants must be vested in order to receive a benefit from the Plan. One year of vesting is earned each Year in which at least 1,000 hours is completed. No Vesting Service is awarded in a Year in which fewer than 1,000 hours is completed. Vesting is achieved after completing five (5) Years of Vesting Service with no Break-in-Service. Vesting can be earned at any SSM Health ministry per Plan provisions or acquisition agreement.

  If you were employed by an organization when it was acquired by SSM Health, Vesting Service from the acquired employer is determined in accordance with the terms of the acquisition, assuming all other participation requirements have been met. Refer to Page 2-3.

  Participants who are not vested at termination of employment are not entitled to a pension benefit.

  Rehired Participants deemed vested in a retirement benefit due to divestiture but who did not complete normal vesting requirements must achieve 5 Years of 1,000 hours of service with no Break-in-Service to be entitled to payment of a benefit due to additional benefit accruals.

- **Year**

  See definition of Plan Year on Page 1-6.
Plan Highlights and Eligibility/Participation

Plan Highlights

- You are automatically a Plan Participant when you meet participation requirements outlined below.
- SSM Health begins funding your retirement benefit once you meet participation requirements. You are not required to contribute to this Plan.
- You are entitled to a retirement benefit after five (5) Years of Vesting Service with no Break-in-Service.
- You can receive a monthly lifetime benefit as early as age 55 if you have at least five (5) Years of Vesting Service and are no longer employed by SSM Health. If you are an active SSM Health employee, you can commence your benefit at age 62 or later (known as Phased Retirement).
- There are various payment forms from which to choose when you begin your benefit.
- You can receive a one-time lump sum payment as soon as administratively feasible following termination or severance of employment.

Eligibility/Participation

You became a Participant in the Plan on the first day of the month after you:

- Attained the age of 18, and
- Completed at least 1,000 hours of service during your first 12 months of employment

If you failed to meet participation due to age, you became a Participant at the beginning of the Year in which you attained the age of 18.

If you did not satisfy participation because you did not meet the hours requirement, you became a Participant on the January 1 following the calendar year in which you completed 1,000 hours of service.

If you were employed by an organization when it was acquired by SSM Health, Participation is determined in accordance with the terms of the acquisition agreement.
Credited Service

Once you satisfy Participation requirements of the Plan, beginning with the later of your date of employment or age 18, you receive one full year of Credited Service when you complete at least 2,000 hours of service in a Year at a ministry that participates in the Defined Benefit Pension Plan. Partial Years of service are recognized when you complete fewer than 2,000 hours of service in a Plan Year based on the following schedule:

<table>
<thead>
<tr>
<th>Hours In Year</th>
<th>Credited Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 799.99</td>
<td>0.0</td>
</tr>
<tr>
<td>800 - 999.99</td>
<td>0.4</td>
</tr>
<tr>
<td>1,000 - 1,199.99</td>
<td>0.5</td>
</tr>
<tr>
<td>1,200 - 1,399.99</td>
<td>0.6</td>
</tr>
<tr>
<td>1,400 - 1,599.99</td>
<td>0.7</td>
</tr>
<tr>
<td>1,600 - 1,799.99</td>
<td>0.8</td>
</tr>
<tr>
<td>1,800 - 1,999.99</td>
<td>0.9</td>
</tr>
<tr>
<td>2,000 +</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Credited Service will only be recognized for hours you work for an SSM Health ministry that participates in the Defined Benefit Pension Plan.

Please Note: The following information details the exceptions to the date Credited Service is recognized under the Defined Benefit Pension Plan.

- **If you were hired before January 1, 1993, and your Plan was contributory**, SSM Health begins calculating Credited Service on the later of age 18, your employment date if you contributed to the Plan when you were first eligible, or the date you first contributed to the Plan. If you met Participation but did not elect to contribute to the Plan, SSM Health begins calculating Credited Service on January 1, 1993.

- **If you were employed by an organization when it was acquired by SSM Health**, Credited Service from the acquired employer is determined in accordance with the terms of the acquisition, assuming all other participation requirements have been met. (Refer to Table on Page 2-3.)
Credited Service

<table>
<thead>
<tr>
<th>Acquired Ministry</th>
<th>Credited Service Date</th>
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<tbody>
<tr>
<td>St. Joseph Hospital – Kirkwood (SSM Health St. Clare Hospital – St. Louis)</td>
<td>Later of employment date or age 18</td>
</tr>
<tr>
<td>SSM Health DePaul Hospital* – St. Louis</td>
<td>Later of employment date, January 1, 1989, or age 18</td>
</tr>
<tr>
<td>SSM Health Bone &amp; Joint Hospital at St. Anthony*</td>
<td>Later of January 1, 1995, or age 18; Please Note: Ministry transitioned to ineligible SSM Employer status on July 9, 2006 due to corporate structure change. Transitioned back to eligible Employer status on January 1, 2010 (see below).</td>
</tr>
<tr>
<td>Hillcrest Hospital (St. Michael Hospital)</td>
<td>Later of January 1, 1997, or age 18</td>
</tr>
<tr>
<td>Mission Hill Hospital</td>
<td>Later of January 1, 1999, or age 18; divested on December 31, 2001.</td>
</tr>
<tr>
<td>SSM Health St. Mary’s Hospital - Centralia</td>
<td>Later of January 1, 2003, or age 18</td>
</tr>
<tr>
<td>Crossroads Hospital</td>
<td>Later of November 1, 2005, or age 18</td>
</tr>
<tr>
<td>Bone &amp; Joint Hospital, LLC</td>
<td>Later of January 1, 2010, or age 18</td>
</tr>
<tr>
<td>Shawnee Medical Center Clinic</td>
<td>Later of June 27, 2012 or age 18</td>
</tr>
<tr>
<td>SSM Health St. Anthony Shawnee Hospital – Oklahoma City</td>
<td>Later of July 1, 2012, or age 18</td>
</tr>
</tbody>
</table>

*If you earned a DB Plan Frozen Benefit for service prior to the acquisition, it will be included in your DB Plan benefit at retirement or termination. DB Plan vesting requirements must be satisfied.

Qualified Unpaid Leave of Absence

A qualified unpaid leave of absence (LOA) authorized by management is not considered a Break in Service; however, the unpaid time is not used for determining Vesting or Credited Service except in the case where the Participant is re-employed by SSM Health after an unpaid military LOA in accordance with current federal regulations.

Uniformed Military Service

If you take an approved, unpaid leave of absence for uniformed military services and you have reemployment rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA), the time you serve in the U.S. uniformed services will be used to calculate the Vesting and Credited Service you would have been entitled to if, in accordance with current federal regulations, you return to work with SSM Health after the military LOA ends within the prescribed time period.
Calculation of Credited Service for Partial Years:

If you work fewer than 12 months in a Year, Credited Service and Compensation are annualized and prorated based on the number of months worked. This could occur the Year you are employed, terminate employment, have unpaid month(s) due to an approved leave of absence, transfer to or from a ministry that does not participate in the Defined Benefit Pension Plan, or, in the Year you rescinded the waiver, the months you waived participation in the Plan.

**Example #1:** Calculating Credited Service for an employee who ends employment in September and has worked 1,440 hours during the Year requires two steps:

**Step 1 – Hours are annualized**

1,440 hours divided by 9 months x 12 months = 1,920 hours

Credited Service from the Table on Page 2-2 = .9000

**Step 2 -Annualized Credited Service is prorated for partial year of employment**

.9000 divided by 12 months x 9 months = .6750 (total credited service for partial year)

**Example #2:** Calculating Credited Service for an employee who ends employment in September and has worked 680 hours during the Year requires two steps:

**Step 1 – Hours are annualized**

680 hours divided by 9 months x 12 months = 907 hours

Credited Service from the Table on Page 2-2 = .4000

**Step 2 -Annualized Credited Service is prorated for partial year of employment**

.4000 divided by 12 months x 9 months = .3000 (total Credited Service for partial year)

It is important to remember that you will not receive Credited Service for any Year in which you work 12 months but complete less than 800 hours of service.
Final Average Compensation

Your Final Average Compensation is the average of your highest five (5) Years of annualized Compensation during the most recent 10 Years in which Credited Service is recognized. For Years in which you work 12 full months but fewer than 2,000 hours, a ratio of 2,000 to the actual hours worked in that Year is used to calculate your annual Compensation. In other words, your earnings are annualized.

Compensation calculation for Years in which you work 12 months but fewer than 2,000 hours:

Example #1: Compensation for an employee who earns $30,000 and works 1,000 hours during that Year would be annualized as follows:

$30,000 divided by 1,000 hours x 2,000 hours = $60,000

For Years in which you work fewer than 12 months, Credited Service and Compensation will be annualized and prorated based on the number of months worked.

Compensation calculation for Years in which you work fewer than 12 months:

Example #1: Compensation for an employee who earns $30,000 and worked 1,440 hours would be calculated using the following two steps:

Step 1 – Compensation is annualized

$30,000 divided by 1,440 hours x 2,000 hours = $41,667

Step 2 – Annualized Compensation is prorated for partial year of employment

$41,667 divided by 12 months x 9 months = $31,250.25

Example #2: Compensation for an employee who earns $20,000 and worked 760 hours would be calculated using the following two steps:

Step 1 – Compensation is annualized

$20,000 divided by 760 hours x 2,000 hours = $52,631.60

Step 2 – Annualized Compensation is prorated for partial year of employment

$52,631.60 divided by 12 months x 9 months = $39,473.70

If you have fewer than five (5) full Years of eligible earnings, your Final Average Compensation will be calculated utilizing wages from any Year of employment in which Credited Service is recognized (e.g., if you earned Credited Service in only two Years, your Final Average Compensation will be calculated by averaging two years of earnings instead of five years).
**Plan Formula(s)**

**Pension Formula for 2012 Grandparented Participants - also known as 2012 Plan Formula.** (Active participants with 70 or more points at the end of Plan Year 2012.)

**NOTE:** This formula does not apply to SSM Health Good Samaritan Hospital-Mt. Vernon, SSM Health St. Mary’s Hospital-Centralia, and Physician Services of Southern Illinois

Your defined benefit is based on a formula that uses your Years of Credited Service, Final Average Compensation and the Break Point in effect on the date your Plan Participation ended or commencement date if you elect Phased Retirement. Phased Retirement is explained on Page 3-1 under the heading “If You Want To Receive Your Pension While Still Employed at SSM Health.”

The following two steps are used in the formula to calculate your monthly pension benefit; however, Step 2 may not apply:

**STEP 1:**
1.1% of your Final Average Compensation up to the Break Point times Years of Credited Service

**PLUS STEP 2:**
1.6% of your Final Average Compensation in excess of the Break Point times Years of Credited Service

The second step of the pension formula reflects the fact that Social Security replaces a higher percentage of income for employees at lower compensation levels.

The following examples provide an explanation of the formula:

**Example #1:** An SSM Health employee retires at age 65 with 30 years of Credited Service and Final Average Compensation of $3,600 per month. The monthly Break Point used in this example is $3,700.

**STEP 1:**
\[
0.011 \times 3,600 = 39.60
\]
\[
39.60 \times 30 \text{ years} = 1,188.00
\]

**Total Monthly Pension Benefit** $1,188.00

Because this employee’s Final Average Compensation is under the Break Point, the benefit calculation does not include the second step of the formula.
Example #2: An SSM Health employee also retires at age 65 with 30 years of Credited Service, Final Average Compensation is $4,200 per month, and the monthly Break Point is again $3,700. Both steps of the formula apply in this example.

**STEP 1:**
\[
\begin{align*}
0.011 & \times 3,700 = 40.70 \\
40.70 & \times 30 \text{ years} = 1,221.00
\end{align*}
\]

**PLUS STEP 2:**
\[
\begin{align*}
4,200 & - 3,700 = 500 \\
0.016 & \times 500 = 8.00 \\
8.00 & \times 30 \text{ years} = 240.00
\end{align*}
\]

\[
1,221.00 \text{ (from step 1)} + 240.00 \text{ (from step 2)} = 1,461.00
\]

**Total Monthly Pension Benefit** $1,461.00

Please Note: Frozen Benefits earned at acquired entities will be added to the SSM Health accrued benefit calculated under the formula explained in this section.
Plan Formula(s)

Pension Formula for 2012 Grandparented Participants from SSM Health Good Samaritan Hospital-Mt. Vernon, SSM Health St. Mary’s Hospital-Centralia, and Physician Services of Southern Illinois - also known as 2012 Plan Formula (Active participants with 70 or more points at the end of Plan Year 2012)

Your pension benefit is based on a formula that uses your Years of Credited Service, Final Average Compensation, and the Break Point based on your last day of plan participation or commencement date if you elect Phased Retirement. Phased Retirement is explained on Page 3-1 under the heading “If You Want To Receive Your Pension While Still Employed at SSM Health.”

The following two steps are used in the formula to calculate your monthly pension benefit; however, Step 2 may not apply:

**STEP 1:**
0.85% of your Final Average Compensation up to the Break Point times Years of Credited Service

**PLUS STEP 2:**
1.35% of your Final Average Compensation in excess of the Break Point times Years of Credited Service

The second step of the pension formula reflects the fact that Social Security replaces a higher percentage of income for employees at lower compensation levels.

The following examples provide an explanation of the formula:

**Example #1:** An SSM Health employee retires at age 65 with 30 years of Credited Service and Final Average Compensation of $3,600 per month. The monthly Break Point used in this example is $3,700.

**STEP 1:**

\[ \text{.0085} \times 3,600 = 30.60 \]

\[ 30.60 \times 30 \text{ years} = 918.00 \]

**Total Monthly Pension Benefit** \( \$918.00 \)

Because this employee’s Final Average Compensation is less than the Break Point, the benefit calculation does not include the second step of the formula.
Plan Formula(s)

**Example #2:** An SSM Health employee also retires at age 65 with 30 years of Credited Service, Final Average Compensation is $4,200 per month, and the monthly Break Point is again $3,700. Both steps of the formula apply in this example.

**STEP 1:**

\[\text{.0085} \times 3,700 = 31.45\]
\[31.45 \times 30 \text{ years} = 943.50\]

**PLUS STEP 2:**

\[4,200 - 3,700 = 500\]
\[.0135 \times 500 = 6.75\]
\[6.75 \times 30 \text{ years} = 202.50\]

\[943.50 \text{ (from step 1)} + 202.50 \text{ (from step 2)} = 1,146.00\]

**Total Monthly Pension Benefit**

\[\text{\$1,146.00}\]

**Please Note:** Frozen Benefits earned at acquired entities will be added to the SSM Health accrued benefit calculated under the formula explained in this section.
Plan Formula – 2013 Plan Formula

Pension Formula for Non-Grandparented Employees Beginning in Plan Year 2013 also Known as the 2013 Plan Formula (Active participants with less than 70 points at the end of Plan Year 2012 or employees hired on or after 1/1/2013.)

Participants with fewer than 70 points who did not meet Grandparented status at the end of Plan Year 2012 have a 2012 Frozen Benefit for all eligible service through the end of Plan Year 2012. It is important to remember that you will not lose any benefits you accrued through the 2012 Plan Year provided you meet DB Plan vesting requirements before you leave SSM Health.

Beginning in the 2013 Plan Year, Non-Grandparented employees earn benefits under a formula that continues to take into account Final Average Compensation and years of Credited Service based on a tiered Credited Service formula. As your Credited Service increases, you progress through the percentage tiers. The formula provides increasing percentages for each tier of Credited Service. This is known as the 2013 Plan Formula.

Your benefit is the total of your SSM Health 2012 Frozen Benefit, if applicable, plus the total of all benefits earned at each tier based on Credited Service. For SSM Health DePaul Hospital and Bone & Joint Hospital, an Acquisition Frozen Benefit may also apply.

STEP 1:
Your 2012 Frozen Benefit, if applicable.

PLUS STEP 2:
Benefits earned under each tier based on years of credited service.

Tier 1: 0.50% for each year of Credited Service from 0.0000-10.0000 years x Final Average Compensation/12 months

Tier 2: 1.50% for each year of Credited Service from 10.0001-20.0000 years x Final Average Compensation/12 months

Tier 3: 1.75% for each year of Credited Service from 20.0001-30.0000 years x Final Average Compensation/12 months

Tier 4: 2.00% for each year of Credited Service from 30.0001 or more years x Final Average Compensation/12 months

The percentage tier at which your accruals began in the 2013 Plan Year depends on the number of years of Credited Service you had at the end of the 2012 Plan Year. For example, if you had 15 years of Credited Service, you began accruing at the 1.50% percentage tier and continue to earn accruals at that level until you reach 20.0001 years of Credited Service, at which point your accruals would increase to 1.75%.

Please Note: A comparison will be done calculating all service under the 2013 Plan Formula versus the total of the 2012 Frozen Benefit plus accruals under the 2013 Plan Formula. You will receive the higher of the benefit calculations.
Examples

The following examples provide an explanation of the 2013 Plan Formula:

Example #1: An SSM Health employee had 2 years of Credited Service at the end of the 2012 Plan Year. Additional Credited Service from the beginning of the 2013 Plan Year through 2020 (when Credited Service may no longer be earned in the Plan) is 8 years, for a total of 10 years of Credited Service. Final Average Compensation is $40,000.

STEP 1:
Monthly Frozen Benefit at the end of the 2012 Plan Year (for credited service
accrued through PY 2012) $ 56.80

PLUS STEP 2:
Pension benefit beginning with the 2013 Plan Year from Tier #1
0.0050% x 8 years of Credited Service x Final Average Compensation/12 months
or .0400 x $40,000 = $1,600/12 = $133.33 $ 133.33

Total Monthly Benefit $ 190.13

Please Note: Because the participant had only 10 years of Credited Service, the benefit was calculated using only Tier #1.

Example #2: An SSM Health employee had 8 years of Credited Service at the end of the 2012 Plan Year. Credited Service from the beginning of Plan Year 2013 through the end of Plan Year 2020 (when Credited Service may no longer be earned in the Plan) is 8 years for a total of 16 years of Credited Service. Final Average Compensation is $47,000.

STEP 1:
Monthly Frozen Benefit at the end of the 2012 Plan Year (for credited service
accrued through PY 2012) $ 270.00

PLUS STEP 2:
Pension benefit beginning with the 2013 Plan Year from Tier #1 $ 39.17
0.0050% x 2 years of Credited Service x Final Average Compensation/12 months
or .0100 x $47,000 = $470.00/12 months (Tier #1) and

Pension benefit from Tier #2 $ 352.50
0.0150% x 6 years of Credited Service x Final Average Compensation/12 months
or .0900 x $47,000 = $4,230.00/12 month (Tier #2)

Total Monthly Benefit $ 661.67
**Example #3:** An SSM Health employee has 20 years of Credited Service at the end of the 2012 Plan Year. Credited Service from the beginning of Plan Year 2013 to when SSM Health employment ends is 5 years for a total of 25 years of Credited Service. Final Average Compensation is $75,000.

**STEP 1:**
Frozen benefit at the end of the 2012 Plan Year (for credited service accrued through PY 2012)  
$ 1,375.00

**PLUS STEP 2:**
Pension benefit beginning with the 2013 Plan Year from Tier #3  
0.0175% x 5 years of Credited Service x Final Average Compensation/12 months  
Or .0875 x $75,000 = $6,562.50/12 months (Tier #3)  
$ 546.88

**Total Monthly Benefit**  
$ 1,921.88
Payment of Defined Benefit

Normal Retirement

You are entitled to an unreduced pension benefit upon reaching your normal retirement date. Your normal retirement date is determined based on the following:

- If you reach age 65 and have met the five (5) year vesting requirement.

- If you are hired prior to age 60 and satisfy participation requirements, regardless of your vesting status, you may retire with an unreduced pension benefit when you reach age 65, provided you are still employed by SSM Health at that time.

- If you are hired after age 60 and meet the five-year vesting requirement during which you complete 1,000 hours of service each year, your normal retirement date will be the first of the month following completion of your fifth year of Vesting Service.

- If you are hired after age 60 and meet participation requirements but have not completed five (5) Years of Vesting Service, you must wait until the fifth anniversary of your SSM Health employment before you can receive pension payments, provided you are still employed by SSM Health at that time.

**Please Note:** It is your responsibility to notify your human resources representative when you want to begin your pension payments. Additionally, you must properly complete and submit all required paperwork and documentation on a timely basis before your benefits can commence.

If You Want To Receive Your Pension While Still Employed at SSM Health

If you have completed five or more Years of Vesting Service and are age 62 or older (or have reached normal retirement age as defined above), you can begin receiving your monthly pension benefits or elect a one-time lump sum payment while continuing your employment with SSM Health (known as Phased Retirement). Your initial benefit will be calculated based on your Final Average Compensation and Years of Credited Service as of the date your payments begin. Your benefit will be recalculated, based on your initial payment option election, the earlier of your next or final retirement date, when Plan Participation ends, or the end of Plan Year 2020, considering additional accruals and payments you received during your Phased Retirement period, to determine if an increase is due.

**Please Note:** It is your responsibility to notify your human resources representative when you want to begin your pension payments. Additionally, you must properly complete and submit all required paperwork and documentation on a timely basis before your benefits can commence. Your monthly benefit will never decrease from the amount calculated on the date you commenced your phased retirement benefit.
Payment of Defined Benefit

If You Want To Retire Early

You may begin monthly benefit payments as early as age 55 if you have completed at least five (5) Years of Vesting Service and are no longer employed by SSM Health. The appropriate early retirement reduction factor will be applied to your benefit if you retire before age 65.

The following chart shows the percentage of your monthly benefit that you will receive if your payments begin at the specific ages listed:

<table>
<thead>
<tr>
<th>Age At Which Benefits Begin</th>
<th>Percentage Of Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>65 or later</td>
<td>100.0%</td>
</tr>
<tr>
<td>64</td>
<td>93.3%</td>
</tr>
<tr>
<td>63</td>
<td>86.7%</td>
</tr>
<tr>
<td>62</td>
<td>80.0%</td>
</tr>
<tr>
<td>61</td>
<td>73.3%</td>
</tr>
<tr>
<td>60</td>
<td>66.7%</td>
</tr>
<tr>
<td>59</td>
<td>63.3%</td>
</tr>
<tr>
<td>58</td>
<td>60.0%</td>
</tr>
<tr>
<td>57</td>
<td>56.7%</td>
</tr>
<tr>
<td>56</td>
<td>53.3%</td>
</tr>
<tr>
<td>55</td>
<td>50.0%</td>
</tr>
</tbody>
</table>

For example, if your monthly benefit is $1,000 and you retire at age 62, you will receive 80% of your benefit, or $800 a month. If you start receiving your benefit at an age between those listed, a slightly different percentage will apply.

You may elect a lump sum distribution of your retirement benefit as soon as administratively feasible following termination or severance of employment, or commencement of Phased Retirement.

Please Note: It is your responsibility to notify your human resources representative when you want to begin your pension payments. Additionally, you must properly complete and submit all required paperwork and documentation on a timely basis before your benefits can commence.

If You Want To Retire After Normal Retirement

You may choose to postpone retirement until a date after your normal retirement date, known as deferred retirement. On your deferred retirement date, you are entitled to an unreduced pension benefit based on the same formula used for a normal retirement benefit. Please note that if you are no longer employed with SSM Health or are no longer accruing benefits in the Plan, your benefit will not increase by starting the benefit any later than the Plan's normal retirement age of 65 or your normal retirement date per Plan provisions. Retroactive payments to your normal retirement date are not permitted except as required by federal law.

According to federal law, if you are no longer employed by SSM Health, you must begin receiving your benefits effective the April 1 after the calendar year in which you reach age 70½.
Payment of Defined Benefit

**Please Note:** It is your responsibility to notify your human resources representative when you want to begin your pension payments. Additionally, you must properly complete and submit all required paperwork and documentation on a timely basis before your benefits can commence.

**If You Terminate Employment Before Retirement**

If you terminate employment with SSM Health and have five (5) or more Years of Vesting Service, and have not taken a lump sum distribution of your retirement benefit, you can receive an unreduced monthly pension benefit at age 65 or elect a reduced monthly benefit payment before age 65. Your benefit is payable in full at age 65 or normal retirement date under Plan Provisions. Please note that if you are no longer employed with SSM Health or are no longer accruing benefits in the Plan, your benefit will not increase by starting the benefit any later than the Plan’s normal retirement age of 65 or your normal retirement date per Plan provisions. Retroactive payments to your normal retirement date are not permitted except as required by federal law.
Payment Forms

Benefits are payable in full the first of the month following participant’s 65th birthday when vesting requirements have been met. Early reduction factors apply for commencement prior to this date.

- **Lump Sum**
  - You may choose a one-time lump sum distribution payable as soon as administrative feasible at termination, severance, or at age 62 or older if you are an active SSM Health employee.
  - If you receive a lump sum distribution from the Defined Benefit Pension Plan, you will receive no further benefits from the Plan.
  - If you made employee contributions to the Plan prior to 1993 and have not previously withdrawn the contributions, they will be included in your lump sum distribution.
  - Under no circumstances will you be permitted to repay the lump sum in order to elect a monthly benefit payment.

*Please Note:* All participants must submit a properly completed “Request for Waiver of Joint & Survivor Annuity Form”.

- **Life Annuity**
  - If you choose this form of payment, your benefit will be paid for your lifetime only. All payments will end upon your death, with no benefits payable to a beneficiary.

*Please Note:* All participants must submit a properly completed “Request for Waiver of Joint & Survivor Annuity Form”.

- **5 or 10-Year Certain and Life**
  - You may choose a 5 or 10-Year Certain and Life form of payment. Both of these payment forms will provide you with a lifetime monthly benefit. However, if you die within the 5 or 10-year period after you retire, your designated beneficiary will continue to receive your monthly benefit for the remainder of the period chosen.
  - You will receive 99% of the single life payment amount if you choose the 5-Year Certain and Life form, and 97% of the single life payment amount if you choose the 10-Year Certain and Life form.

*Please Note:* All participants must submit a properly completed “Request for Waiver of Joint & Survivor Annuity Form”.

- **50%, 75%, or 100% Joint & Survivor and Contingent Annuitant**
  - If you are married and you want to choose a payment form that provides monthly lifetime benefits to your spouse in the event of your death, you would select a 50%, 75%, or 100% Joint & Survivor payment form subject to federal regulations. You would choose a 50%, 75%, or 100% Contingent Annuitant payment form if you want a payment option that provides lifetime benefits to someone other than your spouse subject to federal regulations. (If you are married, a Joint & Survivor Waiver form must be submitted if you are choosing a Contingent Annuitant payment option.)
The percentage of your monthly benefit that you will receive if you elect the 50% Joint & Survivor or Contingent Annuitant option is based on the following formulas:

- If your spouse/beneficiary is **older** than you:
  
  \[
  0.95 + 0.003 \times (\text{the difference between your ages})
  \]
  
  For example, if your spouse/beneficiary is four years older than you, the percentage of your monthly amount payable would be:
  
  \[
  0.95 + 0.003 \times 4 = 0.962 \text{ or } 96.2\%
  \]
  
  In no event can the calculation result in a benefit of more than 100%.

- If your spouse/beneficiary is **younger** than you:
  
  \[
  0.95 - 0.003 \times (\text{the difference between your ages})
  \]
  
  For example, if your spouse/beneficiary is four years younger than you, the percentage of your monthly amount payable would be:
  
  \[
  0.95 - 0.003 \times 4 = 0.938 \text{ or } 93.8\%
  \]

The reduction in your monthly benefit is dependent upon the difference between your age and the age of your spouse/beneficiary and the percentage of income (50%, 75%, or 100%) continued after your death subject to federal regulations. If you begin receiving benefits prior to age 65, the benefit is also reduced for early retirement.

The following chart shows the monthly pension benefit payable under the various payment forms for an employee who retires with a spouse/beneficiary who is the same age, has a monthly benefit of $1,000, and begins the benefit at age 65.

<table>
<thead>
<tr>
<th>Monthly Benefit Payable To Retiree</th>
<th>Monthly Benefit Payable to Spouse or Beneficiary Upon Retiree’s Death</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Only</td>
<td>$1,000 $0</td>
</tr>
<tr>
<td>50% Joint &amp; Survivor or Contingent Annuitant</td>
<td>950 475</td>
</tr>
<tr>
<td>75% Joint &amp; Survivor or Contingent Annuitant</td>
<td>920 690</td>
</tr>
<tr>
<td>100% Joint &amp; Survivor or Contingent Annuitant</td>
<td>900 900</td>
</tr>
<tr>
<td>5-Year Certain &amp; Life*</td>
<td>990 990</td>
</tr>
<tr>
<td>10-Year Certain &amp; Life*</td>
<td>970 970</td>
</tr>
</tbody>
</table>

*Benefit is payable to the beneficiary only if the retiree dies within the stated period following retirement. The beneficiary will receive a benefit only for the balance of the period certain after the retiree dies.*
Payment Forms

Special Notes:

- To begin your retirement payments, appropriate and required properly completed election forms and documents must be submitted within 90 days of commencement date. This includes the written consent of your spouse, if applicable, which must be either notarized or witnessed by a Plan representative. Commencement date is contingent upon submission of forms.

- Your payment option election will not be binding until 30 days prior to your retirement date, regardless of when your paperwork is submitted.

- Once you begin receiving benefit payments, you may not change your benefit payment option.

- If you elect a Joint & Survivor or Contingent Annuitant payment form, once you begin receiving payments, no changes to your designated beneficiary are permitted.

- If you elect a Joint & Survivor or Contingent Annuitant payment form and you are receiving payments, your benefit amount will not change if your spouse/beneficiary dies before you.

- If you are receiving payments under a Joint & Survivor payment form and your spouse dies before you, benefits will not be payable to your new spouse if you remarry. The same provision applies to your beneficiary if a Contingent Annuitant option is elected.

- The 5 and 10-Year Certain & Life payment forms provide more flexibility than other payment forms when designating a beneficiary. Since the beneficiary’s birth date is not used to determine the benefit amount for either the 5 or 10-Year Certain & Life payment forms, you can make changes to your beneficiary, even after you begin receiving your payments. In addition, you can designate multiple beneficiaries, a contingent beneficiary, a Trust, or even a charity.

- If you are electing Phased Retirement, your final benefit will be calculated based on the form of payment you chose at your initial retirement. If an additional benefit is earned, it will paid to you in the same form of payment as the first election. The only exceptions would be under the following circumstances:

  - Phased Retirees who earn additional benefits from the initial retirement date to the subsequent retirement date can change the payment form for the additional accruals only under the following circumstances:

    - If the Participant originally elected one of the Joint & Survivor or Joint & Contingent Annuitant payment forms and the beneficiary expires
    - If the Participant originally elected a Joint & Survivor benefit and there is a divorce before the subsequent retirement date

    Under these circumstances, the participant will receive the Life Annuity form for benefits earned after the initial retirement date only.

- If a vested Participant submits properly completed election forms and dies within 30 days prior to the requested commencement date, the benefit will be paid to participant’s spouse or beneficiary in the form of payment elected by the participant or the Pre-Retirement Joint & Survivor benefit, whichever produces the higher benefit.
If You Die Before Benefit Payments Begin

Single Participants

If you contributed to the Plan prior to January 1, 1993 and you are single at the time of your death, the only benefit payable to a beneficiary will be the value of your contributions plus interest if applicable. If a valid beneficiary designation is not on file with your local human resources department, your contributions plus interest will be paid to your estate.

Married Participants

When certain conditions are met, the Plan will provide an employee’s spouse lifetime monthly benefits or a one-time lump sum payment if the Participant dies before beginning pension payments. This is known as a Pre-Retirement Joint & Survivor benefit.

Pre-Retirement Joint & Survivor Benefit

If you have completed at least five (5) Years of Vesting Service and are married at the time of death, your surviving spouse can elect lifetime monthly pension benefits or a one-time lump sum payment. The date your spouse will be eligible to begin benefit payments is dependent upon your age at the time of death but no sooner than when you would have reached age 55. Your spouse has the option to postpone the date payments begin, resulting in a higher monthly amount up to the date you would have reached age 65. It is the surviving spouse’s responsibility to contact the human resources representative to begin benefit payments.  (Please Note: The benefit is payable in full when you would have reached age 65 and does not increase by starting the benefit after you would have reached age 65.)

- **Death prior to age 55:** Your spouse can receive 50% of your reduced pension benefit, adjusted for the Joint & Survivor benefit, and calculated as of the date your participation in the Plan ended. The earliest date your spouse can begin benefits is the first of the month coincident with or following your 55th birthday. The benefit is payable in full when you would have reached age 65 and does not increase by starting the benefit after you would have reached age 65. Early reduction factors will be applied for commencement of benefits prior to Participant’s Normal Retirement Age. In lieu of monthly benefit payments, a one-time lump sum payment can be elected.

- **Death after age 55 but before age 65:** Your spouse can receive 50% of your reduced pension benefit, adjusted for the Joint & Survivor benefit, calculated on the date your participation in the plan ended and payable as soon as the first of the month coincident with or following the date of death. The benefit is payable in full when you would have reached age 65 and does not increase by starting the benefit after you would have reached age 65. Early reduction factors will be applied for commencement of benefits prior to Participant’s Normal Retirement Age. In lieu of monthly benefit payments, a one-time lump sum payment can be elected.

- **Death at age 65 or older:** Your spouse can receive 50% of your unreduced pension benefit, adjusted for the Joint & Survivor benefit, calculated on the date your participation in the plan ended and payable as soon as the first of the month coincident with or following the date of death. The benefit will not increase by starting at a later date. In lieu of monthly benefit payments, a one-time lump sum payment can be elected as soon as administratively feasible.
Contributions/QDRO

Employee Contributions

Effective January 1, 1993, employee contributions were no longer required for Participants employed by SSM Health entities that participated in the contributory Plan.

Participants who contributed to the Plan can withdraw their contributions plus interest at any time following termination of employment or at retirement. If you withdraw your contributions, any pension benefits received from the Plan will be reduced by the value of your accumulated contributions.

If you and/or your beneficiary receive pension payments before your death that are less than the value of your contributions plus interest, your designated beneficiary or your estate will receive the balance of your accumulated contributions.

Please Note: The most current beneficiary designation form in your employee file will be used for return of employee contributions, if applicable. Please be sure that you review your beneficiary designation periodically to ensure that it is current. You may change your beneficiary designation for contributions at any time before electing your retirement benefit.

Qualified Domestic Relations Order (QDRO)

The Plan will pay all or a portion of your benefit in compliance with a Qualified Domestic Relations Order (QDRO) issued by a court. For the purpose of this Plan, a QDRO is any judgment, order, decree, or approved property settlement agreement made on the basis of domestic relations law.

Proposed QDROs must be submitted to SSM Health for review and approval.
Rights and Responsibilities Under the Plan

As a Participant in the Defined Benefit Pension Plan, you must:

- Submit any claim for benefits in accordance with Plan provisions. If you terminate and are eligible to receive a pension benefit at a later date, you will be responsible for contacting SSM Health to request the forms to begin your benefit payments.

- Inform SSM Health of any change in your marital status, address, and contact information (even after you have terminated employment. It may be necessary for SSM Health to contact you from time to time on matters relating to your benefit.

- Provide any information or documentation requested by the Plan Administrator.

- Safeguard your pension information.

Plan Administrator’s Rights

The Plan Administrator has the exclusive right, power, and authority, in its sole and absolute discretion to:

- Administer, apply, construe and interpret the Defined Benefit Pension Plan.

- Decide all matters and questions arising in connection with the Plan’s eligibility and participation requirements and entitlement to benefits.

- Amend and/or terminate the Defined Benefit Pension Plan.

Errors in Benefit Calculations and/or Payments

In the event and to the extent that any benefit calculation provided or payment made to a Participant, Spouse, or Beneficiary is determined by the Plan Administrator to have been in error, the Plan Administrator shall take action to correct the error as determined by the sole discretion of the Plan Administrator.
Claims and Appeals

Initial Claims for Benefits

A claim for benefits is a request for Plan benefits, made by a Claimant or the Claimant’s representative, that complies with a plan’s reasonable procedure for making benefit claims. Under Plan provisions, a "claim for benefits" means any written claim, application or election regarding benefits or any written inquiry as to such claimant’s rights under the Plan, including but not limited to questions regarding Eligibility, Vesting and Credited Service.

The Plan Administrator shall make all decisions and determinations regarding the right of any person to a benefit under the Plan. Any decision by the Plan Administrator denying a claim for benefits shall be provided either orally or in writing to the claimant within 90 days after receipt of the claim by the Plan Administrator, unless special circumstances require an extension of time for processing. If special circumstances are applicable, an extension of time may be required. In any event, a response will be provided within 180 days after receipt of the claim by the Plan Administrator.

If the claim is denied, the Plan Administrator must explain the reasons for the denial and an explanation of the Plan’s claim review (appeal procedure). Please Note: If the claim is submitted after a Claimant has submitted written application for or election for benefits, the Plan Administrator shall respond in writing.

Appeals

- Any Claimant who makes a written request within sixty (60) days after receiving a claim denial shall be entitled to a full and fair review of such denial by the Plan Administrator.

- The Plan Administrator will reach a decision following review not later than 60 days after the Plan Administrator’s receipt of a timely request for review unless special circumstances require an extension of time for processing. In any event, a response will be provided within 120 days after receipt of the claim. If such an extension is required, the Plan Administrator will notify the Claimant of the delay before the end of the initial 60-day period.

- The Plan Administrator’s decision on review shall be stated in writing and mailed or delivered to the Claimant. The response shall include the specific reasons for the decision with specific references to Plan provisions upon which the decision is based, all written in a manner intended to be understood by the Claimant.
Plan Administrator

The Plan Administrator is responsible for construing, interpreting and administering the Plan in a uniform and nondiscriminatory manner. The Plan Administrator has discretionary authority to determine eligibility for benefits and to interpret the terms of the Plan. The administrator for this Plan is:

Pension Committee for
Retirement Plan for Employees of SSM Health Care
Retirement Plan for Employees of St. Mary’s Hospital, Centralia, Illinois
Retirement Plan for Employees of Certain Illinois Entities Related to SSM Health Care
SSM Health
10101 Woodfield Lane
St. Louis, MO 63132