

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

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

#### **Marian Community Hospital Plan Participants**

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

For purposes of this supplement, the “Employer” is the Marian Community Hospital and any of its Related Employers that adopted the Marian Community Hospital Employees’ Pension Plan, including any predecessor plan or plan that merged into the Marian Community Hospital Employees’ Pension Plan (“Marian Plan”).

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

The Freeze Date for the Employer is December 31, 2006, except that service for years of benefit accrual froze on December 31, 2009.

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

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

##### **4. Prior Plan Benefit**

If you were a participant in the Marian Plan on December 31, 2006, you have a Prior Plan Benefit under the Plan unless it has been forfeited or already paid to you in accordance with the terms of the Plan.

Your monthly Prior Plan Benefit as of a particular date is equal to your monthly Normal Retirement Benefit earned under the Marian Plan 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 your Years of Benefit Accrual Service as of the earliest of the date of determination, the date of your termination of employment with the Employer, or December 31, 2009, and using your Compensation as of the earliest of the date of determination, the date of your termination of employment with the Employer, or December 31, 2006.

“Years of Benefit Accrual Service” for any Plan Year shall be determined based on the provisions of the Marian Plan in effect for the applicable Plan Year.

Your “Final Average Compensation” is your highest average annual Compensation during the five consecutive completed Plan Years of participation in the Marian Plan out of your last ten Plan Years of participation in the Marian Plan in which you received the highest aggregate Compensation (or, if you received Compensation for a period of less than five completed Plan Years of participation in the Marian Plan, your average annual Compensation during all of such consecutive completed Plan Years). In no event is Compensation earned on or after January 1, 2007, taken into account for purposes of determining Final Average Compensation. For purposes of determining your Final Average Compensation, “Compensation,” is determined based on the provisions of the Marian Plan in effect for the applicable Plan Year.

- (a) General Normal Retirement Benefit. If you are a participant other than a Carbondale Participant, your monthly “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 following: .75% x Final Average Compensation x Years of Benefit Accrual Service.
- (b) Carbondale Participant’s Normal Retirement Benefit. If you are a Carbondale Participant, your monthly “Normal Retirement Benefit,” payable commencing on your Normal Retirement Date in the form of a Life Only Option is equal to sum of:
  - (i) 1/12th of the amount equal to 0.75% of the Participant’s Final Average Compensation multiplied by his number of Years of Benefit Accrual Service completed after June 30, 1992; plus
  - (ii) the amount equal to \$5.00 multiplied by the Participant’s total Years of Benefit Accrual Service (counting each month as 1/12th of a year), but not to exceed 35 Years of Benefit Accrual Service, completed before July 1, 1992.

If you are a Carbondale Participant, your “Compensation” does not include compensation received from Carbondale General Hospital prior to June 30, 1992 and your “Years of Benefit Accrual Service” were determined on a calendar year computation period and only Hours of Service with Carbondale General Hospital (which was acquired by St. Joseph’s Hospital effective June 30, 1992, when the name of the resulting entity was changed to Marian Community Hospital) earned on and after January 1, 1992, were taken into account.

In no event will a Carbondale Participant’s Prior Plan Benefit determined under this section (b) be less than the Carbondale Participant’s accrued benefit under the Employees Pension Plan of Carbondale General Hospital (“Carbondale Plan”) as of June 30, 1989.

Effective June 30, 1992, the Carbondale Plan was merged into the St. Joseph’s Hospital Employees’ Pension Plan and the resulting plan became the Marian Plan. A “Carbondale Participant” is a participant who had a benefit under the Carbondale Plan that was merged into the Marian Plan effective as of June 30, 1992.

- (c) Benefit Accrued as of December 31, 1991 for St. Joseph’s Employees. A “St. Joseph’s Employee” is a participant who had a benefit under the St. Joseph’s Hospital Employees’ Pension Plan (“St. Joseph’s Plan”). The Carbondale Plan was merged into the St. Joseph’s Plan effective as of June 30, 1992, and the name of the St. Joseph’s Plan was changed to the Marian Plan on that date. The Prior Plan Benefit of a participant who was a St. Joseph’s Employee will not be less than his or her accrued benefit under the St. Joseph’s Plan as of December 31, 1991. This benefit is equal to the greater of:
  - (i) the participant’s accrued benefit under the St. Joseph’s Plan as of December 31, 1984, or
  - (ii) the benefit determined by adding together the participant’s Basic Benefit and Integrated Benefit, based on service earned prior to January 1, 1992, determined as follows:
    - (I) The “Basic Benefit” shall be determined in accordance with the following table:

<b>Hours of Service Within Calendar Year</b>	<b>Basic Monthly Benefit Earned in That Year</b>
1,800 or more	\$12.50
At least 1,600 but less than 1,800	10.90
At least 1,400 but less than 1,600	9.35
At least 1,200 but less than 1,400	7.80
At least 1,000 but less than 1,200	6.25
Less than 1,000	0.00

- (II) The “Integrated Benefit” is the product of Years of Benefit Accrual Service and one percent (1%) of Compensation in excess of Covered Compensation. “Covered Compensation” is based on the calendar year of the Participant’s 65th birthday as set forth in the following table:

<b>Calendar Year of 65<sup>th</sup> Birthday</b>	<b>Monthly Amount</b>	<b>Calendar Year of 65<sup>th</sup> Birthday</b>	<b>Monthly Amount</b>
1982	\$900	2002	\$2,050
1983	1,000	2003	2,100
1984	1,050	2004	2,150
1985	1,100	2005	2,250
1986	1,200	2006	2,300
1987	1,250	2007	2,350
1988	1,300	2008	2,400
1989	1,350	2009	2,450
1990	1,400	2010	2,500
1991	1,400	2011	2,550
1992	1,450	2012	2,600
1993	1,500	2013	2,600
1994	1,550	2014	2,650
1995	1,600	2015 and after	2,700

1996	1,650		
1997	1,750		
1998	1,800		
1999	1,850		
2000	1,900		
2001	2,000		

- (d) **Minimum Benefit.** Your Normal Retirement Benefit will not be less than the greatest early retirement benefit you would be entitled to receive if you retired and commenced receiving your Prior Plan Benefit as an early retirement benefit before your Normal Retirement Date. In addition, if you were a highly compensated employee prior to 1994, certain special computation rules may apply to your benefit due to changes in the law at that time that limited the amount of compensation that would count under the Plan after 1993.

**5. 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 1/360<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.

**6. Vesting**

In addition to the vesting provisions in the SPD:

- (a) If you terminate from employment with Trinity Health, the participating Employers and all of their Related Employers due to your total and permanent disability, you become 100% vested in your Prior Plan Benefit. .
- (b) A Carbondale Participant is vested in his or her Prior Plan Benefit according to the following schedule:

<u>Years of Vesting Service</u>	<u>% Vested</u>
4 years	40%
5 years	100%

- (c) If you were actively employed by Marian Community Hospital as of February 28, 2012, you are 100% vested in your Prior Plan Benefit.

**7. Deferred Vested Benefit**

If payment begins after you turn age 55, your benefit is determined in the same manner as an early retirement benefit to age 55 (or your current age if you are older than 55). You may not elect to receive payment of your Prior Plan Benefit in the form of monthly payments prior to the date you turn age 55.

**8. Disability Retirement Benefit**

If you terminate from employment with Trinity Health, the participating Employers and all of their Related Employers due to your total and permanent disability, you may elect to receive your Prior Plan Benefit in the form of monthly benefit payments beginning on the first day of the month for which Social Security disability benefit are paid. However, a Carbondale Participant must complete at least one Hour of Service after July 1, 1992 to be eligible for a disability retirement benefit. If payment of your disability retirement benefit begins after you turn age 55, your monthly benefit is determined in the same manner as an early retirement benefit to age 55 (or your current age if you are older than 55). If payment of your disability retirement benefit begins before you turn age 55, your monthly benefit is equal to the Prior Plan Benefit as of your payment commencement date reduced in the same manner as an early retirement benefit from age 65 to age 55 and by the Plan's actuarial equivalent factors from age 55 to your age on the payment commencement date. All optional payment forms available under the Plan and this supplement are available for a disability retirement benefit.

**9. How Will My Benefit Be Paid?**

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 your Prior Plan Benefit in the form of a single lump sum payment regardless of the amount.

**10. 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, no preretirement death benefit of your Prior Plan Benefit is payable.