

SKY LAKES MEDICAL CENTER RETIREMENT PLAN

Notice of Merger into the Sky Lakes Medical Center 401(k)

This notice is being provided to you in accordance with Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended, and Internal Revenue Code Section 4980F because you are a participant in the Sky Lakes Medical Center Retirement Plan (the "401(a) Plan") and your future accrual of benefits under the Plan will be affected by the changes described in this notice. No action is required of you at this time.

Sky Lakes Medical Center maintains the 401(a) Plan and also maintains the Sky Lakes Medical Center 401(k) plan (the "401(k) Plan"). Effective September 30, 2019, as of the close of the current plan year, the 401(a) Plan is scheduled to merge into the 401(k) Plan.

Capitalized terms not defined in this notice are defined in the 401(a) Plan's summary plan description ("SPD") previously distributed to 401(a) Plan participants and available from the Plan Administrator.

What does a merger mean to me?

Currently, Sky Lakes Medical Center contributes 5% of each eligible Participant's Compensation for the plan year to the 401(a) Plan.

In connection with the merger of the 401(a) Plan into the 401(k) Plan effective September 30, 2019, Sky Lakes Medical Center will make the final contribution before May of 2020. This contribution would have gone into the 401(a) Plan for each eligible Participant based upon Compensation through September 30, 2019 in May of 2020. Sky Lakes Medical Center will make this contribution in accordance with its normal contribution cycle. No further contributions will be made with respect to the 401(a) Plan for your Compensation earned after September 30, 2019.

Will Sky Lakes Medical Center continue to make some type of employer contributions for me to a retirement plan?

Yes.

Though the 401(a) Plan's 5% fixed money purchase pension contribution will cease in connection with the merger, Sky Lakes Medical Center is replacing it by adding a new 5% fixed profit sharing contribution under the 401(k) Plan for eligible participants. This new 5% fixed profit sharing contribution will be effective October 1, 2019 with respect to compensation (as defined in the 401(k) Plan) on or after October 1, 2019. The 5% fixed profit sharing contribution will be made in addition to the current matching employer contribution under the 401(k) Plan.

The current matching program will continue. It allows for up to an additional 1% contribution from the employer if the participant contributes 3%; 1/3% for each 1% contributed by the participant into the 401(k) Plan.

Sky Lakes Medical Center currently anticipates that eligible participants will start participating in the 5% fixed profit sharing contribution under the 401(k) Plan without any eligibility service waiting period and

that there will not be any annual service requirement to receive the 5% fixed profit sharing contribution under the 401(k) Plan. These aspects of the 5% fixed profit sharing feature of the 401(k) Plan are more favorable to eligible participants than the service conditions associated with the 5% fixed money purchase pension contribution under the 401(a) Plan.

While Sky Lakes Medical Center anticipates that these employer contributions under the 401(k) Plan will continue indefinitely, Sky Lakes Medical Center may amend the 401(k) Plan to modify or discontinue future contributions to the 401(k) Plan at any time and to the full extent permitted by applicable law.

What will happen to my account(s) under the 401(a) Plan?

As soon as administratively practicable after the merger, all accounts under the 401(a) Plan will be transferred to the 401(k) Plan and will be held as separate subaccounts within the 401(k) Plan to the extent necessary to comply with applicable law. This is an automatic process and does not require any action from you. The transfer of assets may occur in one or more transactions. You will receive additional information from us and/or Fidelity, in connection with these transactions.

After your 401(a) Plan account assets have been transferred, your benefit and distribution rights and restrictions with respect to your accounts held in the 401(k) Plan attributable to the 401(a) Plan will be preserved and maintained to the extent required by applicable law; these may differ from rights and restrictions applicable to your other accounts under the 401(k) Plan. If you are not already vested in your 401(a) Plan account, the vesting schedule under the 401(a) Plan will be preserved under the 401(k) Plan to determine when you become vested in your 401(k) Plan subaccount attributable to your employer contributions transferred from the 401(a) Plan. If you have questions about what rights and restrictions apply to your account(s), you should contact the Plan Administrator.

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If you have any questions about the merger or this notice, please contact Alan Caldwell at ACaldwell@skylakes.org

Plan Administrator
Sky Lakes Medical Center Retirement Plan

CERTIFICATE OF DISTRIBUTION

The attached Notice of Merger into the Sky Lakes Medical Center 401(k) was provided to the following by electronic delivery, mail or personal delivery on or before August 16, 2019:

- All participants in the Sky Lakes Medical Center Retirement Plan (the “401(a) Plan ”) who are currently employed by Sky Lakes Medical Center.
- All alternate payees.
- Each employee organization representing participants of the 401(a) Plan.

Signature

Print or type name

Date signed: _____, 2019