MEMORANDUM OF UNDERSTANDING
Between
Oregon Nurses Association
And
Tuality Healthcare

Settlement of Grievance and Claims Concerning Changes to Cash Balance Pension Plan and Elimination of Principal Contributions to the Plan

Tuality Healthcare (hereafter "Tuality" or "Employer") and the Oregon Nurses Association (hereafter "ONA" or "Union") (together, the "Parties") are signatory to a Collective Bargaining Agreement ("CBA") covering Registered Nurses as recognized in the Parties' CBA.

Tuality maintains the Tuality Healthcare Cash Balance Pension Plan (the "Cash Balance Plan") and the Tuality Healthcare Performance Retirement Plan - 403(b) (the "403(b) Plan"). On February 3, 2021, the Board of Directors of Tuality Healthcare authorized amendments to the Cash Balance Plan (through the instrument signed that date entitled "Freeze Amendment to Tuality Healthcare Cash Balance Pension Plan"), with the effect of eliminating all future Principal Credits to employee accounts under the Cash Balance Plan (the "Cash Balance Plan Amendments"). The Cash Balance Plan, as amended, remains in effect, including certain annual 4% Interest Credits, in accordance with the terms of the Cash Balance Plan. Effective January 1, 2021, the 403(b) Plan was amended by Tuality to, among other changes, alter certain Plan eligibility and participation requirements and to increase employer matching contributions that Tuality would make to eligible employee accounts based on eligible employee contributions to the 403(b) Plan. The 403(b) Plan terms also permit Tuality to make one-time, non-elective employer contributions to eligible and participating employee accounts, based on eligible plan year compensation, to be paid in the year following the end of a plan year.

On January 29, 2021, ONA filed a grievance asserting that Tuality violated the terms of the CBA when it amended the Cash Balance Plan (the "Grievance"). Tuality denied that grievance and maintained that it has authority under the CBA and incorporated terms of the Cash Balance Plan to make the amendments. The Parties share a mutual interest in the retirement plans that Tuality makes available to ONA bargaining unit members, desire to fully and finally resolve the Grievance and any and all disputes between the Parties and represented bargaining unit employees concerning the Cash Balance Plan Amendments, and, therefore, enter into this Memorandum of Understanding ("MOU").

The Parties agree to the following:

1. The Cash Balance Plan Amendments, including the elimination of Principal Credits, will continue in effect. The Cash Balance Plan, as amended, will continue in effect in accordance with the Plan terms.

2. The January 1, 2021 403(b) Plan amendments, including the increase of employer matching contributions to 50% of elective employee contributions to the Plan up to 6% of eligible employee compensation, will continue in effect in accordance with the Plan terms and subject to Plan eligibility and participation requirements.

3. For Plan Year 2021 (January 1, 2021 - December 31, 2021), in accordance with the 403(b) Plan terms and subject to Plan eligibility and participation requirements, Tuality will make a one-time, non-elective employer contribution of 1.0% of eligible employee compensation to the accounts of eligible and participating bargaining unit employees. This non-elective contribution will be made in 2022 in accordance with the 403(b) Plan terms.

4. For Plan Year 2022 (January 1, 2022 - December 31, 2022), in accordance with the 403(b) Plan terms and subject to Plan eligibility and participation requirements, Tuality will make a one-time, non-elective employer contribution of 1.0% of eligible employee compensation to the accounts of eligible and participating bargaining unit employees. This non-elective contribution will be made in 2023 in accordance with the 403(b) Plan terms.
5. For Plan Year 2023 (January 1, 2023 - December 31, 2023), in accordance with the 403(b) Plan terms and subject to Plan eligibility and participation requirements, Tuality will make non-elective employer contributions of 1.25% of eligible employee compensation to the accounts of eligible and participating bargaining unit employees. These non-elective contributions will be made on a per-pay period basis beginning with the first full pay period in 2023, in accordance with the 403(b) Plan terms. Tuality will make amendments to the 403(b) Plan necessary to implement the per-pay period contributions identified in this Paragraph.

6. Tuality will make financial retirement counseling available to bargaining unit employees to schedule during a two-week period that occurs between the date of this MOU and January 31, 2022. Subject to scheduling and availability of vendor representatives, such counseling will be available by phone or video conference and may be available on nights or weekends with advance scheduling. This provision will not limit Tuality's or its vendor's ability to continue to make other retirement counseling or similar services available to Tuality employees.

7. This MOU shall not constitute an admission of wrongdoing by either Party. The Parties agree that this MOU fully and finally resolves any and all disputes, charges, suits, claims, and liabilities of any kind between the Parties and between either Party and all represented bargaining unit employees arising out of or related to the Cash Balance Plan Amendments, including but not limited to the Grievance and any and all claims that were asserted or could have been asserted in the Grievance. Upon execution of this MOU, ONA will withdraw all grievances and arbitration demands arising out of or related to the Cash Balance Plan Amendments with prejudice and agrees not to file any grievance, charge, claim or pursue any other remedy related to the Cash Balance Plan Amendments.

8. This MOU shall remain in effect until the expiration of successor collective bargaining agreement negotiated by the Parties in 2022, or until June 30, 2025, whichever is earlier, unless otherwise mutually agreed by the parties in writing. The Parties agree that they will not introduce proposals to modify the Cash Balance Plan or the 403(b) Plan, or the terms of this MOU, in their 2022 negotiations over a successor collective bargaining agreement. This MOU does not amend any terms of the Parties' CBA except as expressly provided herein and does not amend any term of any Tuality retirement plan, including the Cash Balance Plan and the 403(b) Plan.

The terms of this MOU shall become effective upon signature by all Parties below.

TUALITY HEALTHCARE

Kelley Frengle 12/7/21
Kelley Frengle  Date

OREGON NURSES ASSOCIATION

Jocelyn Pitman 12/1/21
Jocelyn Pitman  Date