



FAQs: HSHS 403(b) and 457(b) retirement savings plans Fidelity transition

This is a summary of questions and answers to help you understand the upcoming transition for the Hospital Sisters Health System (HSHS) retirement savings plans.

OVERVIEW

1. What is changing?

Your retirement benefits will remain virtually the same as they are today. However, beginning July 1, 2021, HSHS will move to Fidelity Investments® as the new HSHS 403(b) and 457(b) retirement savings plans administrator, replacing Transamerica.

2. Why are we making this change?

We made this decision to move back to Fidelity after a careful and thorough analysis of our retirement benefits. We determined that Fidelity was the best fit as a top-tier retirement plan provider that can offer additional tools, resources and expertise for you to best meet your retirement savings goals. Some of the additional tools include:

- On-site support and advice and guidance from anywhere
 - HSHS' retirement planners help every individual through a consultative, needs-based approach.
 - One-on-one consultations
 - Department meetings
 - Virtual appointments 1:1 with a Fidelity planning partner
- NetBenefits online platform integrates all HSHS' retirement plans in one place
 - Intuitive home page that gives you a holistic view
 - NetBenefits Mobile. Access accounts anytime, anywhere
- Cyber security
 - Fidelity's customer protection guarantee
 - Reimbursement for losses from unauthorized activity occurring through no fault of their own, with no dollar limit
 - Account protection features
 - Two-factor authentication
 - Real-time alerts for high-risk transitions
 - My Voice phone authentication

3. When will the change take place?

The effective date of the transition to Fidelity is July 1, 2021.

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We care for you.*



4. Are any of my other retirement benefits (pension plan) changing?

No. The HSHS pension plans will not change as part of this transition.

5. Will all of my plan balances move automatically?

Yes. All of your plan balances with HSHS at Transamerica will be moving to Fidelity automatically with no action required from you.

PLAN FEATURES

1. Will my current employee contribution elections move to Fidelity?

Yes. All deferral contribution elections will automatically transfer to Fidelity. However, deferral elections must be made as a percentage of your paycheck rather than a flat-dollar basis. Any contribution elections on a flat-dollar basis as of July 1, 2021, will be automatically converted to an equivalent percentage based on your pay rate at that time.

2. Will this change affect the current employer contributions or vesting rules?

No. The employer contributions and vesting rules will not change. You are always fully vested in any contributions you or your employer make to the plan(s).

3. Will there be any changes to the current available investment options?

Yes. There will be changes to the investment line-up. These changes are outlined in the Transition Guide, which will be mailed to your home in May 2021.

4. Will my future investment elections move to Fidelity?

Yes. Most investment options will remain the same and transferred automatically. Depending on the investments you have elected, your future contributions may be redirected to a new investment option starting July 1, 2021.

5. Will there be a self-directed brokerage option available at Fidelity?

Yes. The 403(b) retirement savings plan will have a self-direct brokerage option. When the market closes at 3 p.m. CT on June 23, 2021, the self-directed brokerage account at Transamerica through Charles Schwab will no longer be available. It will transfer to a Fidelity BrokerageLink® account on or about July 1, 2021. If you are affected by this change, you will receive a separate communication with the details on your brokerage account transfer.

6. If I still have a HSHS 403(b) account from many years ago with Fidelity, will this account be combined with the HSHS plans transitioning from Transamerica to Fidelity?

The legacy accounts at Fidelity will be consolidated after the transition is complete in July 2021.

7. If I have a prior HSHS plan account with a prior vendor (such as AIG, Equi-Vest, Lincoln, MetLife, One America or Symetra), can I move it into my new HSHS 403(b) plan at Fidelity?

Yes. Once the blackout period ends, you can speak to Fidelity to review your options with your other plan accounts. Be sure to consider all your available options and the applicable fees and features of each before moving your retirement assets.



8. Will my beneficiary election move to Fidelity?

Current beneficiary designations on file at Transamerica will not transfer to Fidelity. You will need to designate your beneficiaries at Fidelity beginning the week of July 18, 2021.

9. What will happen to my outstanding plan loan because of this transition?

Any outstanding plan loan balances at Transamerica will transfer to Fidelity. The transition will not affect the terms or length of your loan(s).

Loan repayments currently made via ACH through Transamerica will not continue during the blackout period, so it will be important to plan to make up any missed payments once the blackout period ends the week of July 18, 2021. You will need to establish recurring ACH payments to Fidelity in order for your loan payments to continue after the transition. If you have an outstanding loan balance at the time of the transition, you will receive a separate communication in July with additional details.

10. My spouse/colleague/friend no longer works here, but still has assets in the plan. Does this also affect them?

Yes. This will affect all participants (current and former employees, beneficiaries, alternate payees, etc.) that have assets in the plan. All participants will receive communication detailing the transition and what they can expect.

THE BLACKOUT PERIOD

1. Will my retirement plan account access be restricted during the transition?

Yes. For a brief period prior to and immediately following July 1, 2021, you will not have access to your current retirement plan account(s). This period is referred to as the “blackout period” and is necessary to allow time for Transamerica to prepare its records for the transition and for Fidelity to establish your accounts in their system.

The blackout period will begin on June 23, 2021, at 3 p.m. CT and is scheduled to end the week of July 18, 2021.

During the blackout period, you will be unable to:

- Initiate any transactions that would trigger the liquidation or purchase of assets within your plan account(s) including investment election changes, loans, hardship withdrawals, in-service withdrawals or distributions.
- Change future contribution elections.
- Access your account(s) for balance or other inquiries.

Because you will be unable to change investment direction of plan balance(s) during the blackout period, it is very important you review your current investments and make any desired changes before the blackout period begins.

Note: You will not have access to your account at Fidelity until the blackout period ends the week of July 18, 2021, nor will Fidelity representatives have details specific to your account during this time.



2. How will contributions work for pay periods during the blackout period?

Your retirement savings contributions will continue to be deducted from your paycheck according to your election through the blackout period. After the blackout period has ended, you will be able to view your entire account balance transfer in addition to any contributions deducted during the blackout period.

3. How can I access my account at Fidelity after the blackout period is over in July 2021?

Once the blackout period is over, you can start managing your account on Fidelity NetBenefits® at netbenefits.com/atwork. You will also be able to call Fidelity at 800-343-0860 for assistance. Additional education on how to access and navigate NetBenefits® will be provided throughout the transition.

4. Is my money still invested during the blackout period?

Since most investment options are not changing, your funds will transfer “in-kind” to Fidelity Investments. This means these assets will remain fully invested throughout the entire process. You will not be out of the market as a result of this activity. Guaranteed Interest account balances will be credited with interest throughout the transition.

5. What happens to my money if I retire or terminate employment during the transition?

If you leave HSHS during the transition, all of your plan balances with HSHS at Transamerica will move to Fidelity. However, all plan activity will be closed until the blackout period ends, therefore, you will be unable to make account transactions (i.e. distributions, rollovers) or modifications. Once the blackout period ends, full access will be restored allowing you to complete transactions through the Fidelity NetBenefits website at www.netbenefits.com/atwork or by calling Fidelity at 800-343-0860.

ADDITIONAL INFORMATION

When will we learn more about the move to Fidelity?

More details will be provided throughout the transition period, including a complete Transition Guide mailed to your home in mid-May. Also be on the lookout for postings related to Fidelity-hosted online (live or on-demand) transition webinars and workshops to help guide you and answer any questions you may have.