



Overview of the HSHS Retirement Program

HSHS offers a comprehensive retirement program to help you save for the future. It features a Pension Plan with a Cash Balance Benefit and a 403(b) Retirement Savings Plan with matching contributions from HSHS.

HSHS PENSION PLAN

The Plan's Cash Balance Benefit features an account balance that shows the value of your accumulated benefit. Your account grows in two ways:

**Contribution Credits + Interest Credits =
Your Account Balance**

Who is eligible	Colleagues hired or rehired on or after July 1, 2014. Temporary or leased colleagues are not eligible.	
How your benefit is funded	Fully funded by HSHS	
How your benefit is determined	An account that grows through contribution credits and interest credits	
Contribution credits	<i>Your years of service</i>	<i>Your contribution credit</i>
	1-5	3% of pay
	6-10	4% of pay
	11-15	5% of pay
	16-20	6% of pay
	21+	7% of pay
Eligible pay	The pay shown on your W-2 statement plus any pre-tax contributions (subject to IRS limits, \$275,000 in 2018)	
Interest credits	Based on the 10-year Treasury rate (reset annually), with a minimum of 3% and a maximum of 6%	
Vesting — your right to your benefit	Fully vested (100%) after three years of vesting service (Generally, you earn a year of service for both benefit accrual and vesting purposes if you work 1,000 hours in a calendar year.)	
When your benefit can be paid	When you terminate employment after three years of vesting service with HSHS, you can receive your benefit or delay payment until a later date.	
How your vested benefit can be paid	Your benefit can be paid as: <ul style="list-style-type: none"> • A lump sum distribution of your balance in cash, or • An equivalent monthly benefit, based on your balance 	

(continued on other side)

HSHS 403(b) RETIREMENT SAVINGS PLAN

The 403(b) Plan gives you the opportunity to build on your pension benefit through your contributions, HSHS matching contributions and investment earnings. It's an important source of your overall retirement income.

Who is eligible	Colleagues hired or rehired on or after July 1, 2014. Temporary or leased colleagues are not eligible.
How your account is funded	By your contributions and matching contributions from HSHS
How the match works	<p>HSHS contributes \$.50 for every dollar you contribute on the first 4% of your eligible pay. The maximum match you can receive in a calendar year is 2% of eligible pay. For example, assume a colleague's annual salary is \$30,000. If she contributes at least 4% of pay (or \$1,200 or more) to the plan, she will receive a match of \$600 (.50 x \$1,200). In this example, \$600 is also 2% of the colleague's pay – the maximum match she can receive under the plan for the calendar year.</p> <p>HSHS matches contributions for each calendar year in which you are paid for at least 1,000 hours, as long as you are actively employed on December 31st of that year. The match will also be made upon your retirement after age 55 or upon death or disability.</p>
How to enroll	You are automatically enrolled on your date of hire with a contribution rate of 4% of your pay. You can increase, decrease, or stop your contributions at any time.
How much of your pay you can save	<p>Up to 100% of your pay in pre-tax dollars, after-tax (Roth) dollars, or a combination of both — up to the IRS limit of \$18,500 in 2018. You may also need to consider other required deductions from pay, such as insurance premiums.</p> <p>If you will be age 50 or older by the end of the calendar year, you can contribute up to \$24,500 in 2018.</p>
Eligible pay	The pay shown on your W-2 statement plus any pre-tax contributions (subject to IRS limits, \$275,000 in 2018)
Vesting — your right to your benefit	Fully vested (100%) immediately in all contributions
Investment options	You can invest in the fund or funds of your choice covering a range of investment types, including target date retirement funds.
When your benefit can be paid	When you leave HSHS, you can receive your 403(b) account balance or delay payment until a later date. If you are age 59½ or older, you can request payment while you are still working.
How your vested benefit can be paid	Your account is paid as a lump sum or in an alternative form available from Transamerica such as a life annuity or installments. You can roll over the balance into an IRA or another employer's plan to avoid tax penalties.