



SECURING YOUR FUTURE

*Summary Plan
Description of the
Katherine Shaw
Bethea Hospital
Retirement Savings
Plan*

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INTRODUCTION

KSB's Retirement Savings Plan is designed to help you achieve financial independence for your leisure years. The compounding of tax-deferred savings dollars produces dramatic results, particularly in the later years. These benefits, along with Social Security, can provide a substantial retirement income.

The Retirement Savings Plan offers you:

- Before-Tax Advantages
- Optional After-Tax (Roth) Contributions with Tax-Free Distributions
- Tax-Deferred Investment Return
- KSB's Contributions
- An Employee Contribution Option
- Liberal Vesting (Ownership) of KSB's Basic Contributions
- Investment/Earnings Flexibility
- Hardship and Loan Cash Availability
- Flexible Options at Retirement

These advantages are explained in this Summary Plan Description in a question and answer format for your convenience. Please read it carefully and contact the Human Resources Department if you need further clarification or assistance.

We have tried to make the information presented easier to understand than the Plan documents that describe the program in complete detail. If in translating from legal language these pages say anything that disagrees with the Plan documents, the Plan Document will govern.

HOW THE RETIREMENT SAVINGS PLAN WORKS

You make contributions to the Plan with either before-tax payroll deductions or after-tax (Roth) payroll deductions. Before-tax deductions will reduce your taxes. Roth payroll deductions do not reduce your current taxes, but offer additional tax benefits at retirement. Katherine Shaw Bethea Hospital (KSB) will also contribute to the Plan for you with before-tax contributions. Both your contributions and contributions by KSB will be held in your account in a master custody account. The investment earnings of the master custody account will be added to your account. When you retire you can use the money for retirement income. In the event you need emergency cash while working, loans or withdrawals from your account are available. You can also take out the money in your account when you terminate employment, become disabled or reach age 59 1/2. If you die, the money will be paid to your beneficiaries.

The main purpose of the Plan is to help you save money for retirement. A future of financial security won't just happen. You must plan for it...save for it...invest for it.

Even after a lifetime of work, some 85 to 95 % of Americans do not achieve financial security. They fail because they have no goals, no plans for the future. Others fail because they don't know how much money they'll need during retirement. They need a target income goal and a plan to provide that income.

KSB's benefit plan is designed to protect you from economic hardship and help you develop the skills necessary to achieve financial independence.

The *Retirement Savings Plan* (RSP) will help you develop your own financial plan with help from KSB. At the same time you will benefit from the tax advantages of the Plan.

ELIGIBILITY

When can I participate in the Plan?

You are eligible to begin contributing a portion of your pay to RSP beginning with the first pay date of the month following the date you have completed 30 days of employment. (See "How do I enroll?" on page 5 for detailed information.)

You are eligible to receive Employer Matching Contributions as of the first day of the payroll cycle following attainment of One Year of Service, if you worked 1,000 hours in your initial 12 months. Thereafter, the calendar year is used to determine eligibility.

You are eligible to receive Employer Basic Contributions if you have completed One Year of Service and worked 1,000 hours in the current year and are employed as of the last day of the last pay period of the year.

ENROLLMENT

How do I enroll?

Upon hire, you are automatically enrolled in RSP on the first day of the month following the date you have completed 30 days of employment with a before-tax contribution of 3% of pay. If you do not wish to contribute to RSP or wish to contribute at a different rate, you must complete an enrollment form to make the change.

Can I change my contribution election?

Yes. You can increase or decrease your savings contribution at any time.

How much can I contribute?

You can save up to 92 percent of your annual earnings with a maximum of \$22,500 for 2023. This maximum dollar amount may be increased by government regulations in future years to make up for inflation. If you have reached age 50 by the end of the year and have made the maximum allowable deferral, you can contribute an additional “catch-up” amount. For 2023, the maximum “catch-up” contribution is \$7,500. The maximum “catch-up” contribution may be increased by government regulation to keep pace with inflation.

Do my earnings include overtime and bonuses?

Yes. Contributions are based on total earnings. However, the maximum eligible annual earnings for Plan contributions are currently limited by government regulations to \$330,000 for 2023. This maximum may be increased in future years to make up for inflation.

How do my pre-tax Savings Deferral Contributions affect my taxes?

Your traditional pre-tax Savings Deferral Contributions will not be reported as taxable income on your W-2 form, so your income taxes will be less. However, Social Security taxes apply to contributions to both qualified (RSP) and non-qualified plans.

How do my Roth Savings Deferral Contributions affect my taxes?

Roth Savings Deferral Contributions are after-tax contributions and do not affect your current income or Social Security taxes. However, if you meet certain government requirements, your Roth Savings Deferral Contributions and all earnings on those contributions can be withdrawn income tax free at retirement. Current government regulations concerning tax-free distributions of Roth contributions and earnings at retirement require that you are at least age 59 1/2 at the time of distribution and that you made your first Roth contribution at least five years prior.

What happens if I terminate my employment and am later rehired by KSB? When will I be eligible?

If you had satisfied the Eligibility Requirement before you terminated employment, you will become a participant immediately on the date you are rehired. If you had not yet satisfied the Eligibility Requirement at the time you terminated employment, you must complete the 30 day Eligibility Requirement upon rehire. Any days worked toward this 30 day Eligibility Requirement during previous employment would be applied toward meeting the requirement.

KSB'S CONTRIBUTIONS

How much will KSB contribute?

KSB, with the approval of its Board of Directors, may make a basic contribution for all participants who have completed one year of service and have worked 1,000 hours in the current plan year and are employed by KSB as of the last day of the last pay period of the year. This basic contribution is a discretionary contribution which may be made at the sole discretion of KSB and, with 30 days' notice to employees, may be changed or discontinued for any Plan year. When made, this basic contribution is made after the end of the Plan year, and in the past, the contribution has been equal to 2.5% of total earnings for such eligible employees. The contribution maximum is based on the basic contribution percentage and the maximum allowable compensation as determined annually by the IRS. (For example, the maximum contribution for 2023 with a 2.5% contribution level for a participant making \$330,000 or more would be \$8,250) If you qualify for a basic contribution, you will receive the contribution whether you make any Savings Deferral Contributions (traditional pre-tax or Roth contributions)

In addition to any KSB basic contribution, KSB may make a matching contribution as determined by its Board of Directors. In the past, KSB has matched your personal contributions by contributing 50 cents for each dollar you save for the first 5% of pay you defer. The maximum additional matching contribution by KSB has been 2.5% of your total eligible earnings in the past. (For 2023, a 2.5% matching contribution for a participant making \$330,000 or more would be \$8,250.) As with the basic contribution, the IRS sets the maximum amount of eligible compensation each year. If you are eligible to receive any matching contributions, you will receive contributions whether you are making traditional pre-tax Savings Deferral Contributions or Roth Savings Deferral Contributions. All KSB matching contributions are pre-tax contributions.

Can the Plan contributions be changed?

Yes. KSB's Board of Directors will determine the amount of the basic and matching contributions. These contributions can be changed by the Board at any time, but you will be given at least 30 days of advance notice of any change to KSB contributions.

How will I know how much has been contributed?

You'll receive quarterly statements. The statements show how much you have contributed, how much KSB has contributed and your investment earnings for the quarter.

How do KSB contributions affect my taxes?

All KSB contributions are pre-tax contributions, so you do not pay taxes on these contributions until they are withdrawn in the form of a cash payment.

Can KSB's contributions to the Plan be terminated?

Yes. KSB has the right to stop making basic and matching contributions to the Plan. However, the government requires that its intent must be permanent in nature. None of the money already contributed to the Plan can ever be returned to KSB.

Are there any events that could cause me to lose or receive reduced benefits?

Yes, there are a number of circumstances that could result in the reduction, loss or postponement of benefits under the Plan or the failure to qualify for benefits. These are:

- If you fail to qualify for participation by not meeting the service requirements described in the sections on “Eligibility” and “Enrollment.”
- If you elect not to participate in the Plan.
- If you fail to complete 1,000 hours or to be employed as of the last pay period of the year, which will keep you from sharing in the basic contribution for that year.
- Depending upon the investment selection you make, there may be losses in the value of the investments allocated in your account in the Plan.
- If you terminate employment with KSB before completing six years of service.

INVESTMENT SELECTION

Where will the money be invested?

The money will be invested in mutual funds. You'll have the option to diversify your investments in a number of different types of funds, i.e., a money market fund, bond funds, stock funds, target date retirement funds, etc. If you fail to make an investment election, KSB will place your investments into a Qualified Default Investment Option which is currently one of the age-appropriate Vanguard Target Retirement Funds.

You can make your own selection of investments from the 24 funds available. Twelve of the available funds are Vanguard Target Retirement Funds that are broadly diversified funds that gradually and automatically shift to a more conservative investment allocation as you get closer to retirement age. The other funds include a variety of money market, bond and stock funds.

You may request further information on these investment options from the Human Resources Department.

Can I change my investment selection?

Yes. Changes may be made up to three times per calendar quarter. You can change your selection via the Plan's website on the Internet or by calling the record keeper's (Midland States Bank/Retirement Direct) toll-free number.

Can I transfer money between funds?

Yes. You may transfer money between funds up to three times per calendar quarter.

Is there any risk in these investments?

Yes. All investments involve risk. Identifying the historical impact of the risks of inflation, market volatility and capital loss is helpful in evaluating investment risk characteristics. You will minimize your investment risk by understanding your financial goals, your risk tolerance and the investment's objectives and by diversifying your investments over time.

INDIVIDUALLY DIRECTED ACCOUNTS

Can I select investments other than those provided in RSP?

Yes, by opening an Individually Directed Account through RSP with Charles Schwab & Company, a participant may choose other mutual fund options for his/her RSP investments. Additional fees apply in using an Individually Directed Account within RSP and, as required of all RSP investments, investments are restricted to mutual funds. Contact a Human Resources Department representative for information on opening an Individually Directed Account within RSP.

VESTING

When will I be vested in my Retirement Savings Plan money?

You own 100 % of your savings contributions, KSB's matching contributions and any investment earnings on these contributions. This means that you cannot forfeit or lose your right to the money regardless of what happens.

You have ownership based on years of service for KSB basic contributions, with 100% ownership after six years of vesting service, beginning with your date of hire. Each year of vesting service requires a minimum of 1,000 hours worked in the calendar year.

Years of Service	Vesting
Under 2	0%
2	20%
3	40%
4	60%
5	80%
6	100%

You'll also become 100% vested regardless of your service if you die, become totally disabled or on your 65th birthday.

What happens if I leave KSB and then later return to work?

If you were vested when you left, you will retain credit for your prior service.

If you were not vested at all, your vesting service will depend on how long you were gone.

Less than five years

You'll retain credit for your prior service. You'll not get credit, though, for the service while you were gone.

Five years or more

You will lose credit for your prior service if you're gone as long as, or longer than, your prior period of employment. You will retain credit for your prior service if you are gone less than your prior period of employment.

WITHDRAWALS

When can I take my money out?

Money may be withdrawn only in the following situations:

- Hardship withdrawals
- Termination of employment
- Death
- Retirement
- Disability
- Any time after age 59 1/2

What happens if I terminate employment and I am not 100% vested?

You will receive all of your contributions, KSB's matching contributions and investment earnings on those contributions.

For example, you quit during your third year of employment. If you had \$1,600 in your employer basic account, \$2,500 in your employer matching account and \$5,000 in your savings deferral account, you'd receive \$7,820 as follows:

	Account Balance	Vesting	Vested Balance
Employer Basic	\$1,600	20%	\$ 320
Employer Matching	2,500	100%	2,500
Your Savings Deferral Account	5,000	100%	5,000
Total Vested Balance			<u>\$ 7,820</u>

How will the money be paid to me when I take it out?

Withdrawals will be paid to you in a lump sum. If you are under age 55 and don't have the money transferred to a rollover IRA or another qualified plan, you will owe income tax, plus a 10% penalty on the money paid to you. The 10% penalty does not apply to withdrawals due to death or disability. Withdrawals of Roth Savings Deferral Contributions prior to age 59 1/2 are generally tax-free, but subject to a 10% penalty. Withdrawals of Roth earnings before meeting the age 59 1/2 and/or the five-year holding period generally will result in income taxes being due plus possibly a 10% penalty.

A 20% income tax withholding is required by the government on any distribution from the Plan unless the money is transferred directly to another retirement plan or a rollover IRA. A \$60 fee will be deducted from the payment amount for each check issued for a distribution.

When will I receive my money?

Within seven to 14 business days after the Plan Administrator receives your request for a withdrawal.

When can I take a hardship withdrawal?

You can take a hardship withdrawal for:

- Uninsured medical expenses
- Purchase of your home
- Payment of college tuition for a member of your family
- To prevent eviction from your home or foreclosure of your mortgage
- Burial or funeral expenses for immediate family.
- Casualty loss expenses to principal residence.
- Expenses and losses due to a disaster.

QUALIFIED DOMESTIC RELATIONS ORDER

A determination of hardship will be made by the Plan Administrator in a uniform, nondiscriminatory manner on the basis of sufficient evidence.

How much can I take out in a hardship withdrawal?

Hardship withdrawals are limited to the lesser of:

The total savings deferrals that you have contributed to the Plan (not including the investment earnings on these savings deferrals) or the amount of money that you need for your hardship.

Are there any penalties on hardship withdrawals?

Yes. You will have to pay taxes on the withdrawal. Plus, in most cases there will be an additional 10% early withdrawal penalty.

Can my account be garnished by creditors or attached by my former spouse?

Generally, contributions by you or by KSB for your retirement are not subject to alienation. This means they cannot be sold, used as collateral for a loan, given away or otherwise transferred. They are not subject to the claims by your creditors. However, they may be subject to claims under a Qualified Domestic Relations Order (QDRO).

The Plan Administrator is required by law to recognize obligations for you incurred as a result of court-ordered child support or alimony payments. The Plan Administrator must honor a "Qualified Domestic Relations Order," which is defined as a decree or order issued by a court that obligates you to pay child support or alimony or otherwise allocates a portion of your assets in the Plan to your spouse, child or other dependent. If a QDRO is received by the Plan Administrator, all or a portion of your benefits may be used to satisfy the obligation. It is the Plan Administrator's responsibility to determine the validity of a QDRO. You can obtain, without charge, a copy of the procedures for making this determination from the Plan Administrator.

LOANS

Can I borrow money from the Retirement Savings Plan?

Yes. You may borrow money from the Retirement Savings Plan.

Are there any limits on the amount I can borrow?

Yes. The maximum loan is the lesser of 50% of your vested account balance or \$50,000. The minimum loan is \$1,000. You may not have more than one loan outstanding at any time. Your account will be charged \$75 to initiate a loan. You will also be charged a \$75 renewal fee for each year the loan remains outstanding.

How do I get a loan approved?

Loan applications shall be completed online or with the assistance of the Human Resources Department. A loan will be approved if the loan and application comply with the limits above and the terms of the loan policy.

What interest rate will be charged for loans?

Each loan will bear interest at the current prime rate, as stated in *The Wall Street Journal*, plus 1%. Both the interest rate and amount of payments are fixed at the time the loan is made. The amount that you owe on the loan will no longer be invested so you will not be credited with investment earnings on that portion of your account. The interest that you pay on the loan, however, will be credited directly to your account.

When will I receive the money?

Loans can usually be processed in two weeks once approval has been given.

When do I have to repay the loan?

Loans must be repaid within five years. Home loans are to be repaid within 15 years. Loans are repaid through payroll deductions.

What happens if I terminate employment before the loan is repaid?

Within 90 days of termination of employment, you will be required to repay any outstanding loan balance in full. If the loan balance is not repaid within the specified time period, the loan will be considered to be in default, and the outstanding balance will be treated as a distribution from your account. You will be responsible for taxes and, if you are under age 55, you will be responsible for an early withdrawal penalty as well. If you request a withdrawal of your account, you will be responsible for taxes due on the outstanding loan amount as well as any penalties that may apply if you are under age 55.

IN-PLAN ROTH ROLLOVERS

Can I convert any of my RSP pre-tax account funds to Roth account funds?

Yes. You can convert any vested pre-tax amounts in your RSP account to a designated Roth account by completing an In-Plan Roth Rollover form. Vested pre-tax funds, including your contributions and KSB match contributions and basic contributions, rolled over to a designated Roth account will be treated as a taxable distribution in the year of your Roth rollover. You will be responsible for paying the income tax on the In-Plan Roth Rollover. No funds will be withheld from your RSP account for income tax purposes.

No funds are actually taken out of your RSP account. The designation of funds rolled over is simply change to indicate that these funds now receive treatment as a designated Roth rollover account. Once your funds have been converted to the Roth Rollover account, they cannot be reconverted to pre-tax funds.

DISTRIBUTION OPTIONS

When I terminate employment or retire, what options do I have for my Retirement Savings Plan Account?

There are several options you can choose when you retire or terminate your employment with KSB.

You can transfer your money into a rollover IRA through a mutual fund company, bank, insurance company or stock broker. The funds must be transferred directly into the new account (a custodian transfer) in order to avoid possible taxes and early withdrawal penalties if you are under age 59 1/2 and do not meet the exception requirements.

If you start another job, your new employer may have a qualified retirement plan. Ask if this plan allows rollovers from other qualified plans.

If your vested account balance is \$1,000 or less, KSB will distribute your account balance to you after providing 30 days' notice. If the amount of the distribution is between \$1,000 and \$5,000 and you do not elect either to receive or roll over your distribution, then your distribution will be rolled over to a Charles Schwab IRA after 30 days' notice.

If your vested account balance is \$5,000 or more, you may elect to defer payment of your distribution. However, it may be deferred no later than April 1 of the calendar year after the year in which you reach age 72. You will continue to participate in investment gains and losses on the fund(s) in which you are investing.

What happens if I don't retire at age 65 or 70?

Your benefits continue the same as any other active employee. Because of important tax issues, we suggest you contact your tax advisor before making a decision on any distributions.

DISABILITY BENEFITS

What happens if I become disabled?

Should you become permanently disabled while you are a participant in the Plan, you will become 100% vested in your account balance. "Disability" means a medically determinable physical or mental impairment which may be expected to result in death or to last at least one year and which renders you incapable of performing your duties with KSB. A determination of disability will be made by the Plan Administrator in a uniform, nondiscriminatory manner on the basis of medical evidence. If it is determined that you are disabled, payments from your Retirement Savings Plan may begin as soon as practicable, following the determination of disability.

DEATH BENEFITS

What happens if I die?

Your total account balance (including all investment earnings) will be paid to your beneficiary after any outstanding loan balances are subtracted.

How do I choose my beneficiary?

You must complete a Designation of Beneficiary Form. If you are married and you do not name your spouse as beneficiary, your spouse must give his or her written, notarized consent.

How will the money be paid to my beneficiary?

Your beneficiary will be paid in a lump sum.

TAX ADVANTAGES

Are Saving Deferral contributions subject to federal or state taxes?

You do not pay income taxes on your traditional pre-tax Savings Deferral Contributions until the money is withdrawn. The W-2 Form that you will receive while making pre-tax contributions will show your taxable earnings as the amount paid to you after the Savings Deferral Contributions are deducted.

You do pay income taxes on your after-tax Roth Savings Deferral Contributions. The W-2 Form that you receive while making Roth contributions will include these contributions as part of the amount that you were paid. Roth contributions and earnings receive tax advantages at the time of withdrawal provided you meet government requirements for tax-free withdrawals of Roth accounts.

Are KSB contributions subject to federal or state taxes?

KSB contributions are treated the same as traditional pre-tax Savings Deferral Contributions. You do not pay income taxes until the money is taken out of the Plan in a cash distribution

What about Social Security taxes?

You have to pay Social Security taxes on Savings Deferral contributions. The taxes will be automatically withheld from your paycheck. KSB contributions are not subject to Social Security taxes.

Do I pay taxes on investment earnings?

Federal and state taxes on investment earnings are not paid while the money remains in the Plan. On your pre-tax and KSB's contributions, taxes are paid when you take the money out of the Plan. On Roth contributions, no taxes are paid on your contributions; earnings will not be taxed if you meet government regulations that require withdrawals not be taken until after age 59 1/2 and at least five years after the Roth account was opened. Withdrawing money before meeting these requirements may result in taxation of earnings on Roth contributions.

How will I be taxed when I take out the money?

You will have to pay income taxes on pre-tax and KSB contributions when you take the money out of the Plan. However, you may be in a lower tax bracket if you withdraw money at retirement. Your Roth contributions and earnings may be tax-free at time of withdrawal if you meet government requirements.

INDIVIDUAL RETIREMENT ACCOUNTS

What are the advantages of the Plan over a traditional Individual Retirement Account?

The advantages are:

- Your contributions to an IRA are limited to \$6,000; \$7,000 if you are age 50 or older.
- You cannot borrow money from an IRA.
- KSB shares in the expense of administering the Plan.
- KSB is making contributions to the Plan.

Can I have an IRA and contribute to the Plan?

Yes, but you may not be able to deduct IRA contributions if you are a participant in this Plan. The IRA deductions start to phase out if your income is above certain levels. For 2023, the phase out for single taxpayers is at income levels of \$73,000 to \$83,000. For married taxpayers filing joint tax returns, the phase out is at income levels of \$116,000 to \$136,000. Phase out levels can be adjusted annually by the IRS for inflation.

Can I have a Roth IRA and contribute to the Plan?

Since Roth IRA contributions are after-tax contributions, you receive no deduction for making Roth IRA contributions. Generally, you can have a Roth IRA and make contributions to the Plan. Roth IRA contributions are phased out, however, for taxpayers filing a joint return with income of \$218,000 to \$228,000 for 2023. For individual taxpayers, Roth IRA contributions are phased out for income levels of \$138,000 to \$153,000 for 2023.

EXAMPLE OF TAX SAVINGS

This is how your taxes would be reduced on traditional pre-tax Savings Deferral contributions to the Plan.

	Without Savings Deferral	With Savings Deferral
Annual Income	\$ 20,000	\$ 20,000
Savings	-0-	1,000
Taxable Income	\$ 20,000	\$ 19,000
Taxes (Assume 20%)	<u>-4,000</u>	<u>-3,800</u>
Spendable Income	<u>\$ 16,000</u>	<u>\$ 15,200</u>
Tax Savings	-0-	\$ 200

EXAMPLES OF SAVINGS

These computations were done to show the different savings accumulations for two employees. Employee A has no voluntary savings deferrals. Employee B has \$1,000 per year of voluntary savings deferrals. (These contributions assume annual income of \$20,000 for both Employee A and Employee B.)

KSB's basic contributions for Employees A and B were \$500 per year. The KSB matching contributions for Employee B were \$500 per year.

Employee A

Your Contribution	\$ 0
KSB Contribution	\$ 500

Employee B

Your Contribution	\$1,000
KSB Basic and Matching Contributions	\$1,000

EXAMPLES OF SAVINGS ACCUMULATIONS

Compound investment rates of return at 8% and 10% were used to illustrate the significant difference a tax-deferred savings contribution and a 2% variance in investment return can make in a Retirement Savings Plan.

	8%		10%	
	A	B	A	B
5 Years				
Employee Contribution	\$ 0	\$ 5,900	\$ 0	\$ 6,100
KSB Contribution	2,900	5,900	3,000	6,100
Total	\$ 2,900	\$ 11,800	\$ 3,000	\$ 12,200
10 Years				
Employee Contribution	\$ 0	\$ 14,500	\$ 0	\$ 15,900
KSB Contribution	7,200	14,500	8,000	15,900
Total	\$ 7,200	\$ 29,000	\$ 8,000	\$ 31,800
20 Years				
Employee Contribution	\$ 0	\$ 45,800	\$ 0	\$ 57,300
KSB Contribution	22,900	45,800	28,600	57,300
Total	\$ 22,900	\$ 91,600	\$ 28,600	\$ 114,600

Note: Figures are rounded.

CLAIM PROCEDURES

When you're ready to claim your benefits under the Plan, contact the Human Resources Department for the proper forms. The Plan Administrator will respond as soon as possible, but always within 90 days. If for any reason your claim for benefits is denied, the following procedures will apply:

- The Plan Administrator will tell you, in writing, the reasons for the denial, including references to specific Plan provisions. An example of a reason for denying your claim would be if you requested a hardship withdrawal while you were still working and you were under age 59 1/2 and had not maximized the use of loans available to you. You will also receive a description of any additional information needed to consider the claim and a description of the claim procedure.
- You or your duly authorized representative are entitled to request, in writing, a review of the claim. This request must be made within 60 days of denial. You or your duly authorized representative may also review documents relating to the denial and submit issues and comments in writing on circumstances that could modify or change the denial.
- The Plan Administrator will provide a final written decision on a claim review within 60 days. You will be provided with specific reasons and references for the decision. The 60-day period may be extended if there are special circumstances.
- If the Plan Administrator does not reply to your initial claim for benefits within 90 days, the above procedures will apply as if the claim had been denied.

ERISA RIGHTS

As a participant in KSB's Retirement Savings Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive information about Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain copies of documents governing the operation of the Plan, including copies of the latest annual report (Form 5500 Series) and updated summary plan description, upon written request to the Plan Administrator. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age (age 65) and, if so, what your benefit would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get a benefit. This statement must be in writing and is not required to be given more than once every twelve (12) months. The statement must be provided free of charge.

Prudent Actions by Plan Fiduciaries—in addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan (called “fiduciaries” of the Plan) have a duty to do so prudently and in the interest of you and other participants and beneficiaries. No one, including your employer, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights—if your claim for a benefit is denied in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order or medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees (for example, if it finds your claim to be frivolous).

**GENERAL
INFORMATION**

Assistance with Your Questions—if you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Administrator, you should contact the nearest Area Office of the U.S. Labor-Management Services Administration, Department of Labor, or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

Plan Sponsor	Katherine Shaw Bethea Hospital 403 E. First Street Dixon, IL 61021
Employer Identification Number	36-1000540
Plan Number	002
Plan Year	January 1 to December 31
Type of Plan.....	403(b)(7) Custodial Arrangement With Employer Contributions
Plan Administrator	Katherine Shaw Bethea Hospital
Agent for Service of Legal Process.....	Katherine Shaw Bethea Hospital
Attention	Vice-President/Chief People Officer
Plan Custodian	Midland Financial Strategies – a Division of Midland States Bank
Pension Benefit Guaranty Corporation	This Plan is not covered by the PBGC because it is a Defined Contribution Plan and is always fully funded.