

Lehigh Valley Health Network

403(b) and 401(a) retirement plan highlights



The Lehigh Valley Health Network 403(b) and 401(a) retirement plans afford you an opportunity to help accumulate money for a secure retirement. You may contribute pretax dollars automatically by convenient payroll reduction, which might lower current income taxes. Lehigh Valley Health Network also contributes to an account in your name in a 401(a) retirement plan. Your accounts benefit from the opportunity for tax-advantaged growth. You may also make after-tax contributions to a Roth account in the plan by convenient payroll deduction.

This is not your plan document or your Summary Plan Description. The administration of each plan is governed by the actual plan document. If discrepancies arise between this summary and the plan document, the plan document will govern.

Eligibility

You are immediately eligible to begin contributing to the 403(b) plan. You are also eligible for employer matching contributions into the 403(b) plan subject to the eligibility requirements included on page three of this document.

You are eligible for employer contributions to the 401(a) when you reach age 21 and after six months of service. Per Diem employees must complete one year of service.

Eligible employees will receive quarterly employer contributions from Lehigh Valley Health Network into their 401(a) account.

Enrolling is easy! Here's how ...

Simply decide how much you want to save and how you want to invest contributions to your account. There are three convenient ways to enroll:

- **Online** — Online at lvhn.aigrs.com
- **By phone** — By phone at our Enrollment Center at 1-888-569-7055

- **In person** — Your financial professional can meet with you and virtually walk you through the enrollment process

Newly hired and rehired employees will be automatically enrolled in the 403(b) plan at a pretax contribution rate of 2% of compensation effective with your third paycheck. You may opt out of the 403(b) plan, change your contribution percentage or change your investment strategy at any time.

If you are not currently contributing to the plan and wish to do so or if you wish to add Roth after-tax contributions you will need to know your work location's access code to enroll. For new participants who wish to add pretax or Roth contributions you will need to use access code 491110250. If you are an existing participant and wish to add Roth contributions you will need to use access code 491110255.

Custom website

For additional information about the plan, including access to fund performance, prospectuses, financial planning tools and more, visit lvhn.aigrs.com.

Fee disclosure information

Obtain specific fee disclosure and fund performance information by visiting lvhn.aigrs.com and clicking on "Fee Disclosure" in the dark box at the bottom of the screen.

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Pretax or Roth contributions

You have a choice regarding your elective contributions. You can direct all of your contributions to a traditional pretax account, to a Roth account or to a combination of the two. Contributions to a Roth account are after-tax. Regardless of your election, you are subject to the annual contribution limits detailed on page three of this document.

Like a Roth IRA, a designated Roth 403(b) or 401(k) account offers a way to set aside after-tax money and, when you retire, make tax-free withdrawals of principal, interest and earnings if certain conditions are met. This added benefit allows you to:

- **Contribute more than what's allowed to a Roth IRA**
- **Roll over the account to other Roth accounts or Roth IRAs**

Note, employees who select the Roth option within their first 45 days from date of hire will still have the 2% auto enrollment record generated in pretax contributions unless they opt out and select 0% for their pretax contributions.

If you split your contributions between your pretax and after-tax accounts, the type of contribution (i.e., percent of pay or dollar amount) must be the same. For example – if you elect a percent of pay in your pretax contribution you must also elect a percent of pay in your after-tax contribution.

Stop/change contributions

You may change your contribution amount or discontinue contributing to your plan at any time and resume contributing again later, subject to your employer's plan provisions. In the meantime, your account will continue to grow on a tax-deferred basis.

Vesting

403(b) contributions

You are always 100% vested in your own employee deferrals into the plan. You are vested in any employer contributions, along with any earnings they generate, based on the following schedule:

- **Colleagues coming into the plan on/after 01/01/2022:**
 - ~ Less than three years of service: 0%
 - ~ Three or more years of service: 100%

One (1) year of vesting service is equal to 1,000 hours in a plan year.

- **Colleagues in the plan prior to 01/01/2022¹:**

~ 100% vested in employer contributions

¹ This includes participants that were originally hired before 01/01/2022 and rehired on/after 01/01/2022.

401(a) employer contributions

Vesting in the 401(a) plan is 0% for anything that is less than three full years of service, then it is 100% for anything over three full years of service.

403(b) and 401(a) employer contributions: You may become 100% vested upon death, disability (as defined by the plan), normal retirement or early retirement (as defined by the plan).

Please refer to the Summary Plan Description document for more information on the years of service calculation. This document can be found on the LVHN plan participant website (lvhn.aigrs.com).

Investment flexibility

You decide how to invest all contributions among the mutual funds offered under the Lehigh Valley Health Network retirement plans.

Remember, this plan represents a long-term investment. Investment values of the mutual funds you choose will fluctuate, and there is no assurance that the objective of any fund will be achieved. Mutual fund shares are redeemable at the then-current net asset value, which may be more or less than the original cost. Bear in mind that investing involves risk, including possible loss of principal.

Guided Portfolio Services® (GPS)

GPS is an optional service that offers objective investment advice powered by independent financial expert Morningstar Investment Management LLC (Morningstar). You can use that advice while managing your retirement investments on your own (Portfolio Advisor). Or you can choose the GPS service option that automatically implements your investment advice, provides ongoing asset management and offers access to services via a financial professional (Portfolio Manager).

Portfolio Manager is an asset allocation wrap fee investment advisory program designed for investors who prefer to pay a fee based on total assets under management that covers advice and asset management. GPS is generally more appropriate for investors with a longer time horizon and is not suitable for investors with a very short time horizon.

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403(b) Plan	401(a) Plan
Your contributions (subject to plan terms)	
As much as 100% of your annual includible compensation up to \$20,500 in 2022. You may increase or decrease the amount you contribute to the plan as often as the plan allows.	Not applicable.
Catch-up contributions	
You might be eligible to contribute up to an additional <ul style="list-style-type: none">\$6,500 in 2022 if you are age 50 or older	Not applicable.
Employer contributions	
Employer matching contributions shall be made at a rate equal to 50% of the elective deferrals up to 4% of compensation. The employer shall have discretion to vary the rate of employer matching contributions. The contribution will be made on a payroll basis. Colleagues who become eligible for the plan on/after 01/01/2022² In order to become eligible for employer match contributions, participants must work 1,000 hours in the 12-month period following their hire date. If 1,000 hours is not achieved, then they will become eligible after completing 1,000 hours of service at the end of any following plan year. Once eligibility is achieved, participants will begin receiving matching contributions on the next payroll date. Colleagues who become eligible for the plan prior to 01/01/2022 Participants are immediately eligible to receive employer match contributions. All participants: In order to receive any matching contributions, participants must be employed on the last day of the plan year. Participants who terminate due to normal retirement, early retirement, death or disability (as defined by the plan), will not be required to satisfy the work last day requirement.	Employer non-elective contributions based on the following years of service: 0-4 years of service = 2% employer contribution 5-9 years of service = 4% employer contribution 10 or more years of service = 6% employer contribution
Withdrawal restrictions — Subject to plan provisions	
Your plan was established to encourage long-term savings, so withdrawals prior to age 59½ may be subject to federal restrictions and a 10% federal early withdrawal tax penalty. You must begin taking distributions once you reach age 72 (age 70½ if born before July 1, 1949) or you retire, whichever is later.	
Distribution events	
Generally, depending on plan provisions, you may withdraw your vested account balance if you meet one of the following requirements: <ul style="list-style-type: none">Reaching age 59½³Retirement or separation from serviceYour deathHardship withdrawals (employee contributions only) In addition, you must begin taking distributions once you reach age 72 (age 70½ if born before July 1, 1949) or you retire, whichever is later. The following are some events upon which you may withdraw vested amounts without incurring a 10% federal early withdrawal tax penalty: <ul style="list-style-type: none">Reaching age 59½³Severance from employment on or after age 55Your death or total disabilityTaking substantially equal payments for a period of five years or reaching age 59½, whichever is later Bear in mind that income taxes may be payable upon withdrawal depending on the type of contributions that were made.	Generally, depending on plan provisions, you may withdraw your vested account balance if you meet one of the following requirements: <ul style="list-style-type: none">RetirementSeparation from serviceYour death Bear in mind that income taxes are payable upon withdrawal.

Account consolidation

You might be able to transfer your vested retirement account balance from a prior employer's plan to your Lehigh Valley Health Network 403(b) retirement plan. This may be a way to simplify your financial profile and to ensure your overall investments are suitably diversified and consistent with your investment preferences. However, before moving funds, check with your other provider to determine if your account has any restrictions, imposes a withdrawal penalty or provides favorable terms.

Your prior employer's plan also may allow you to leave the funds in the plan. If so, you may want to carefully review your alternatives, including their costs and features, to determine what is right for you.

In-plan Roth conversion

If you currently have a vested pretax account balance (employee contributions only), you are able to convert the account to a Roth account if you wish to do so. You do not need to meet the eligibility criteria for distributions in order to do this. Please note though that you can only move money that is fully vested. In converting to Roth, you will need to include this amount in your gross income for the year in which the conversion occurred. Switching from pretax to Roth has tax implications that are unique to your current and expected future financial situation in retirement. It is recommended that you consult with a financial professional or a tax advisor to see if this is a good strategy for you.

Tax-free loans

Tax-free loans make it possible for you to access your 403(b) account, subject to certain limitations, without permanently reducing your account balance. Defaulted loan amounts (not repaid on time) will be taxed as ordinary income and may be subject to a 10% federal early withdrawal tax penalty if you are under age 59½. Loans are not permitted on your 401(a) account. When borrowing from the account, you will be charged an interest rate equal to 1% above the prime rate. The interest rate will be fixed for the duration of the loan. In addition, each loan from a mutual fund account is assessed:

- A one-time \$50 loan processing fee.
- A \$30 annual maintenance fee, which is deducted on a quarterly basis and processed pro-rata against all investment options in your account.

² Please refer to the Summary Plan Description document for more information on the years of service calculation. This document can be found on the plan documents page of the LVHN retirement plan participant website (lvhn.aigrs.com).

³ This only applies to employee deferrals. This does not apply to any vested employer contributions.

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Distribution options

Your plans offer many distribution options, allowing you to tailor your benefits to meet your individual needs. Depending on plan provisions, your withdrawal options include:

- Transferring or rolling over your vested account balance to another tax-advantaged plan that accepts transfers of rollovers
- Taking a lump-sum distribution
- Deferring distributions until the later of age 72 (age 70½ if born before July 1, 1949), or severance of employment, and allowing your account to continue to grow on a tax-deferred basis

Generally, income taxes must be paid on all amounts you withdraw from your plan. A 10% federal early withdrawal tax penalty may apply to distributions taken prior to reaching age 59½.

Consult your financial professional for more specific information.

Administrative fee

The annual administrative fee charged to participants quarterly will be determined by multiplying one-fourth of the per-participant fee (\$33.40 per participant, per plan) by the number of participants participating in one or more of Lehigh Valley Health Network's plans. This amount will be allocated to the plans based on plan assets and then to participant accounts pro rata based on the value and allocations of their accounts at the time. The plan may incur charges or fees outside of the investment alternative product(s) that may be deducted from participant accounts as directed or authorized by the Plan Administrator. Additionally, Fund Annual Operating Expenses apply depending on the mutual fund chosen and are described in the prospectus.

Fee transparency

We provide fee transparency by outlining all revenue sources and plan fees in the Fee Disclosure document.

Fee equalization

Administrative fees for plan services if applicable are assessed to each participant in the plan. These fees are structured in proportion to each participant's account balance so that expenses are equitably distributed

among participants. This method of fee equalization includes revenue sharing from some mutual funds and reimburses the applicable portion to participants who are invested in those funds.

Here's how it works:

Administrative fees are charged to individual participants in proportion to their account balance each quarter. For investments where the fund company provides reimbursements, amounts are credited each quarter to individual participants with active accounts that had assets in those funds during the quarter. The amount credited is based on a daily average balance in that fund. Therefore, participants will see a charge for the administrative fee and a credit for their reimbursement, if applicable.

Account statement

We send all participants a comprehensive account statement every calendar quarter. This account statement documents all activity for the preceding period, including total contributions and transfers among investment options.

You can choose to "go paperless" if you wish. Receive secure, paperless, electronic notification when your retirement account statements, transaction confirmations and certain regulatory documents are available online through our secure connection, Personal**Deliver**-@®. Managing these items electronically is faster and more secure than paper mail. Simply log in to your account at lvhn.aigrs.com to sign up for this free service.

Account access

Once enrolled, you can access account information 24 hours a day, seven days a week:

- **Online** — Online at lvhn.aigrs.com
- **By phone** — 1-800-448-2542

Access account information on your mobile device.

- **AIG Retirement Services Mobile for iPad®, iPhone® or Android™-based phones**

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Personal service

For assistance, please visit lvhn.aigrs.com, call our Client Care Center at 1-800-448-2542 or contact your financial professional(s):

Carbon County

Brandee Lusch – cell: 484-408-5426

Cedar Crest

Michael Ryan – office: 610-402-8801

Jeff Hoffman – cell: 717-719-2954

Vicki Moliken – cell: 610-256-5177

Coordinated Health

Brad Boandl – office: 484-602-7145

Dickson City

Brandee Lusch – cell: 484-408-5426

Health Network Labs

Kevin Gertz – cell: 484-280-7101

Anna Jacoby – cell: 267-454-4042

Hazleton

Brandee Lusch – cell: 484-408-5426

Hecktown Oaks

Anna Jacoby – cell: 267-454-4042

Lehigh Valley Hospital – 17th Street

Tim Schroyer – cell: 717-673-2748

Lehigh Valley Health Network – Off Campus Locations

Brandee Lusch – cell: 484-408-5426
(Northern tier)

Vicki Moliken – cell: 610-256-5177
(Southern tier)

Mack Boulevard

Michael Ryan – office: 610-402-8801

Tim Schroyer – cell: 717-673-2748

Muhlenberg

Kevin Gertz – cell: 484-280-7101

Anna Jacoby – cell: 267-454-4042

One City Center

Michael Ryan – office: 610-402-8801

Brandee Lusch – cell: 484-408-5426

Pocono Medical Center

Ike Pius – cell: 484-619-5605

Jeff Hoffman – cell: 717-719-2954

Schuylkill Health

Ike Pius – cell: 484-619-5605

District Office

AIG Retirement Services District Office

Penn Center West 3, Suite 220

Pittsburgh, PA 15276

Office: 412-494-7302

Connections (new hire orientation)

Brad Boandl – cell: 484-602-7145

Vinny Marfisi – cell: 484-523-6449

Important considerations before deciding to move funds either into or out of an AIG Retirement Services account

There are many things to consider. For starters, you will want to carefully review and compare your existing account and the new account, including: fees and charges; guarantees and benefits; and, any limitations under either of the accounts. Also, you will want to know whether a surrender of your current account could result in charges. Your financial professional can help you review these and other important considerations.

Investors should carefully consider the investment objectives, risks, fees, charges and expenses before investing. This and other important information is contained in the prospectus, which can be obtained from your financial professional or at lvhn.aigrs.com. You can also request a copy by calling 1-800-428-2542. Read the prospectuses carefully before investing.

CLICK lvhn.aigrs.com CALL 1-888-569-7055 VISIT your financial professional

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