

Lehigh Valley Health Network, Inc.

ERISA 403(b) Plan Highlights



Lehigh Valley Health Network (LVHN), Inc. ERISA 403(b) Plan affords you an excellent opportunity to help accumulate money for a more secure retirement. You contribute pretax dollars automatically by convenient payroll reduction, which might lower current income taxes. You may also make after-tax contributions to a Roth account in the plan by convenient payroll deduction. Your accounts benefit from the opportunity for tax-advantaged growth.

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

Participation in the plan is open to:

Employees of Hazleton Professional Services DBA Lehigh Valley Physician Group-Hazleton, Hazleton Health & Wellness Center, Northeastern Pennsylvania Health Corporation DBA Lehigh Valley Hospital - Hazleton, and Schuylkill.

The plan does not allow participation by:

- Leased employees

All eligible employees can make pretax contributions to the plan immediately. An after-tax Roth option is available.

You can join the plan immediately upon the date of employment.

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.

A designated Roth 403(b) 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.

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.

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** — Visit lvhn.aigrs.com.
- **By phone** — Call our Enrollment Center at 1-888-569-7055 between 8:30 a.m. and 8:00 p.m. (ET).
- **In person** — Your financial professional can meet with you and virtually walk you through the enrollment process.

If you are a new employee and wish to enroll in the plan, please input access code 491110950, when prompted, during enrollment. This will enable you to enroll in both pretax and/or Roth contributions. If you are an existing participant and wish to add Roth contributions, please use access code 491110955 when prompted.

Rollovers

Through payroll deduction, your plan allows you to make pretax contributions up to the maximum allowed by the Internal Revenue Code. An Internal Revenue Service (IRS) dollar limit also applies. The dollar limit is \$20,500 for 2022.

If you have an existing qualified retirement plan (pretax), qualified retirement plan (after-tax), 403(b) tax-deferred arrangement, deferred compensation plan or non-profit plan account with a prior employer or hold a traditional IRA account, you can transfer or roll over that account into the plan on becoming a participant in the plan.

Catch-up contributions

You may be able to contribute up to an additional

- \$6,500 in 2022 if you are age 50 or older. See your Benefits Administrator for more details.

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.

Stop/change contributions

You decide how to invest your plan account, selecting from investment choices provided under the plan, as determined by Lehigh Valley Health Network, Inc.

You can change your investment choices anytime.

Vesting

Vesting refers to your “ownership” of a benefit from the plan. You are always 100% vested in employee contributions, and rollover contributions, plus any earnings they generate.

Roth in-plan conversion

If you currently have a vested pretax account balance, 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.

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Loans

- All loans must generally be repaid within five years. A longer term of 15 years may be available if the loan is to be used to purchase your principal residence.
- You can have one loan outstanding at a time.
- You pay interest back to your account. The interest rate on your loan will be the Prime Rate plus 1%.
- Loans must be repaid at least quarterly via ACH debit from your checking account if the participant is per diem. If the participant is full time or part time, payroll deduction repayment is used.
- A \$50 processing fee for all new loans and a \$30 per year loan maintenance fee are charged to your account.

Other requirements and limits must be met prior to borrowing money from your account. For additional information regarding loans, please see your financial professional. Refer to the Summary Plan Description for more details about this participant loan feature.

Withdrawal restrictions

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.

Generally, depending on plan provisions, you may withdraw your vested account balance if you meet one of the following requirements:

- Reaching age 59½
- Severance from employment on or after age 55
- Your death or total disability
- Taking substantially equal payments for a period of five years or upon reaching age 59½, whichever is later

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.

Distribution options

Your plan offers multiple 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.

Qualified distributions from a Roth account are tax-free. Generally, a qualified Roth distribution is a distribution that (1) is withdrawn after the end of the five-year period beginning with the first year in which a Roth contribution was made to the plan, and (2) is after reaching age 59½, death or disability.

Consult your financial professional for more specific information.

Administrative fee

The gross annual administrative fee assessed on mutual fund assets in the plan is \$33.40. This may be offset, in whole or in part, by reimbursement received from mutual fund companies. Additionally, mutual fund annual operating expenses apply based on the funds chosen. Mutual fund expenses and fund reimbursements are described in the prospectus.

Fee equalization

Administrative fees for plan services are assessed to each participant in the plan. These fees are structured in proportion to each participant's account balance so that expenses for plan services are equitably distributed across participants. This method of fee equalization includes revenue sharing from mutual funds and reimburses the applicable portion to participants who are invested in those funds.

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Administration 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 in that fund. Therefore, participants will see a charge for the administrative fee and a credit for their reimbursement if applicable.

Account statement

AIG Retirement Services sends all active 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 you are enrolled, you can access your account information and perform certain transactions, 24 hours a day, seven days a week from anywhere at any time:

- **Online** — 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

Personal service

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

Hazleton

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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. Enter 63960001 in the Login field and click Continue. You can also request a copy by calling 1-800-428-2542. Read the prospectuses carefully before investing.

CLICK lvhn.aigrs.com CALL 1-800-428-2542 VISIT your financial professional

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