

**NOTICE TO ELIGIBLE EMPLOYEES  
OF  
BAPTIST HEALTH 401(k) PLAN**

**December 3, 2021**

The purpose of this Notice is to inform you of certain features of the **BAPTIST HEALTH 401(k) PLAN** (effective prior to January 1, 2022, Baptist Health Retirement Accumulation Plan) (“Plan”). These features allow the Plan to be administered without the burden of certain limitations on your Elective Contributions. Effective January 1, 2022, you will be eligible to elect to make Elective Contribution under the Plan. The Baptist Health Thrift Plan no longer will accept Elective Contributions. Please read the following description of the contribution features of the Plan in conjunction with your Summary Plan Description (“SPD”). The SPD describes many features of the Plan not covered in this Notice. If you are receiving this Notice electronically, please be advised that you have the right to obtain a paper copy of this Notice from the Baptist Health Employee Benefits Team, as set forth below, without any charge to you.

**1. ELECTIVE CONTRIBUTIONS.**

All Employees who are employed by Baptist Healthcare System, Inc. and certain related employers that have adopted the Plan (“Company”) and have completed one Hour of Service are eligible to participate in the Plan with respect to Elective Contributions and may elect to make Elective Contributions as of the first pay period that begins on or after the first day of the month coinciding with or next following 30 days of employment. Provided, however, the term “Employee” does not include (a) directors who are not otherwise employed by the Company, (b) those who are covered by a collective bargaining agreement for which retirement benefits have been the subject of good faith negotiations, (c) leased employees, and (d) individuals designated by the Company as independent contractors. You may elect to defer on a pre-tax basis, or on a post-tax basis, up to 100% of the Compensation you receive from the Company for a payroll period, subject to various dollar limits. Your deferrals on a pre-tax basis are called Elective Contributions, and your deferrals on a post-tax basis are called Roth Elective Contributions. You may terminate, increase or decrease the amount of your Elective Contribution or Roth Elective Contribution by logging onto NetBenefits® at [www.netbenefits.com/baptist](http://www.netbenefits.com/baptist) or by calling 1-800-343-0860. The change will be made on the next business day as soon as administratively practicable.

Your Elective Contribution and Roth Elective Contribution under this Plan and any other cash or deferred arrangement may not exceed \$20,500 for 2022. This amount may be increased (or decreased) in future years. For purposes of the Plan, the term “Compensation” means your cash remuneration from the Company (not to exceed \$305,000 for 2022) which is reportable to the Internal Revenue Service as wages on IRS Form W-2, plus Elective Contributions and any other pre-tax salary reductions, but excluding reimbursements or other expense allowances, cash and non-cash fringe benefits, moving expenses, deferred compensation, welfare benefits (but including housing allowances paid to chaplains), and severance pay. More detailed information about your “Compensation” is available in the SPD.

If you attain age 50 during 2022 and have elected to defer the maximum amount of Elective Contributions and/or Roth Elective Contributions, you also are eligible to contribute an additional \$6,500 as a Catch-Up Contribution for 2022 under this Plan and any other cash or deferred arrangement.

#### **AUTOMATIC CONTRIBUTION ARRANGEMENT**

The Plan features automatic enrollment in order to make saving for retirement easy. Unless an eligible Employee affirmatively elects otherwise, a newly eligible Employee automatically will be enrolled in the Plan effective the first payroll period after such Employee completes 60 days of employment, at an Elective Contribution rate of 3% of Compensation per pay period. If you do not want to be enrolled automatically at an Elective Contribution rate of 3% of your Compensation, you need to make an affirmative Elective Contribution election at a different rate, or opt out of the Plan altogether by electing zero Elective Contributions. If you have an Elective Contribution election under the Baptist Health Thrift Plan effective December 17, 2021, such Elective Contribution election automatically will be effective under this Plan effective January 1, 2022 unless you affirmatively elect otherwise.

You have control over the amount you contribute. If you want to contribute more or less, or stop contributing, to your Plan account at any time, you can change or stop your Elective Contributions by logging onto NetBenefits® at [www.netbenefits.com/baptist](http://www.netbenefits.com/baptist) or by calling 1-800-343-0860.

#### **2. MATCHING EMPLOYER CONTRIBUTIONS.**

Each Employee of the Company who completes one year of eligibility service (1,000 paid hours) will be entitled to receive the Matching Employer Contribution, effective as of the first payroll period following the employee's completion of such requirements, provided that such Employee elects to make Elective Contributions or Roth Elective Contributions to the Plan during the Plan Year. The Company will make a Matching Employer Contribution to your account, on a payroll by payroll basis, in an amount equal to 100% of the first 3% of your Compensation that you contribute to the Plan and 50% of the next 2% of your Compensation that you contribute to the Plan. You will be fully vested in this Matching Employer Contribution.

#### **3. ROLLOVER CONTRIBUTIONS.**

As a Participant in the Plan, if permitted by the Plan Administrator, you may "roll over" any eligible amount held on your account from the qualified retirement plan of another employer, a 403(b) annuity contract, a governmental 457(b) plan, or an individual retirement account, attributable to pre-tax contributions or Roth 401(k) contributions. This is called a Rollover Contribution. You may not roll over amounts attributable to other after-tax contributions. Further details about Rollover Contributions are available in the SPD.

#### **4. VESTING.**

Although the value of your Accounts in the Plan will vary from time to time, your Elective Contributions, Roth Elective Contributions, Catch-Up Contributions, Rollover Contributions, and

Matching Employer Contributions are nonforfeitable at all times and, therefore, are 100% vested immediately.

## **5. WITHDRAWALS.**

Benefits are normally distributed when you retire (after age 65), become disabled, die, or terminate your employment with the Company. Benefits are payable in a lump sum, in fixed monthly, quarterly or annual installments, or as an annuity. Consult the SPD for a more detailed explanation of the payment options available under the Plan. Benefits under the Plan generally are not payable to a Participant while still employed by the Company. You may be permitted to make a hardship withdrawal of your Elective Contributions and Roth Elective Contributions. Hardship withdrawals must be on account of certain immediate and heavy financial needs and must be approved by the Plan Administrator (or its representative). Loans also are permitted under the Plan. In addition, if you have performed service in the uniformed services on active duty, you may be able to make withdrawals from the Plan. You also may be eligible for a distribution of up to \$5,000 in the event you have a child or finalize the legal adoption of a child. Please contact a representative of the Plan Administrator for more information.

## **6. OTHER INFORMATION REGARDING THE PLAN.**

This Notice is not intended to be a complete description of the terms of the Plan. It is not intended to be a substitute for either the Plan or the SPD. In case of a conflict between the terms of the Plan and this Notice, the terms of the Plan will govern. Please consult the SPD or contact the following if you have any questions:

Baptist Health Employee Benefits Team  
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Louisville, KY 40223  
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E-mail: [BHBenefitsTeam@bhsi.com](mailto:BHBenefitsTeam@bhsi.com)

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