HEALTH EAST CARE SYSTEM 403(b) PLAN

SUMMARY OF MATERIAL MODIFICATIONS

Dated: March, 2016

The purpose of this notice is to inform you of some Plan amendments recently approved by HealthEast Care System (“HealthEast”) that are effective as of January 1, 2016. This Summary of Material Modifications supplements the Summary Plan Description (“SPD”) which was last revised in July 2015. Please review and keep this notice for reference with your copy of the SPD and other Plan information.

Summary of Modifications

CONTRIBUTIONS

Employee voluntary pre-tax contribution
You can designate a percentage of your pay to make a voluntary pre-tax contribution. The percentage you designate is deducted from your pay on a pre-tax basis each payroll period. For this purpose, “pay” means total pay that is subject to income tax withholding, and includes pre-tax deductions for your health plan and flex accounts. For this purpose, “pay” does not include reimbursements or other expense allowances, fringe benefits (cash and non-cash), moving expenses, deferred compensation, welfare benefits, sign-on bonuses, retention bonuses, employee referral bonuses, perquisite amounts under the Executive or Physician Benefit Plans, and any severance amounts, whether paid before or after termination of employment.

Addition of Designated Roth Contributions
The Plan now allows you to elect for all or a portion of your contributions deducted from pay to be Designated Roth Contributions. Designated Roth Contributions are employee contributions that are after-tax payroll deductions. The contributions are credited to your Designated Roth Account in the Plan. Designated Roth Contributions are taxed in the year they are contributed to the Plan, but not when they are distributed to you. Any investment earnings on Designated Roth Contributions will be distributed tax-free, provided that you take a qualified distribution. In order to be a qualified distribution, the distribution must occur after you complete a five-year participation period and after one of the following events: (a) your attainment of age 59½, (b) your disability, or (c) your death.

If the distribution from your Designated Roth Account is not a qualified distribution, the earnings distributed with the Designated Roth Contributions will be taxable to you at the time of
distribution (unless you roll over the distribution to a Roth IRA or other plan). In addition, there may be a 10% excise tax on the earnings that are distributed.

Whenever you receive a distribution, the Administrator will deliver to you a more detailed explanation of your options. However, the tax rules are very complex and we recommend that you consult with a qualified tax adviser before making a choice.

If you are automatically enrolled, it will be for pre-tax contributions, unless you affirmatively choose Roth contributions.

The Plan will also allow the Plan to accept Roth rollover contributions from other plans.

VESTING

Changes related to the Acquisition of Metropolitan Medical Associates (“MMA”)
Several MMA employees joined HealthEast Care System as of the asset acquisition of MMA on September 8, 2015. The Plan will credit these employees for MMA service for vesting.

Vesting upon death
In the event of your death while you remain employed by HealthEast, your account will become 100% vested and your account will be distributed to your beneficiary.

Beneficiaries
If you do not file a valid designation of beneficiary before your death, your account will be paid to your Surviving Spouse. If there is no Surviving Spouse, your account will then be paid to your estate.

HealthEast encourages you to review your beneficiary designation. You may file a beneficiary designation form by contacting Fidelity at (800) 343-0869 or www.netbenefits.com/healtheast.

If your beneficiary dies after payments have commenced, the beneficiary’s estate will receive a lump sum payment of the remaining account balance.

HOW BENEFITS ARE PAID

Change in form of benefit
The Plan will distribute your benefit in a lump sum, except in certain situations where distributions will still be available in annuity form, or unless you choose an optional form of benefit. Elimination of the annuity form of benefit will remove the requirement to obtain spousal consent to distributions in most instances. Spousal consent will still be required to designate a beneficiary other than your spouse.

Addition of In-Service Withdrawals
Generally, you cannot receive a distribution until you have terminated employment, or become
eligible for a Qualified Reservist Distribution (see note below), but now the Plan will also allow you to make an in-service withdrawal from your account for the reasons below:

1. Hardship Withdrawal. If you can demonstrate an immediate and heavy financial need, a distribution may be allowed based on all relevant facts and circumstances, and in accordance with IRS regulations. No more than two hardship withdrawals will be permitted in any one year.

2. Withdrawals from Rollover Account. You can now elect to withdraw all or any portion of amounts credited to the separate account maintained for your Rollover Contribution. Such withdrawals may be made at any time.

3. In-Service withdrawals at age 59 ½. If you have reached age 59 ½ and are still employed by HealthEast, you may request to withdraw all or any portion of your Account. Unless you affirmatively elect otherwise, Designated Roth Contributions and Roth Rollovers will be the last sources used for in-service withdrawals.

Note: A Qualified Reservist Distribution may be available if you are a member of the reserves called to active duty for a period greater than 179 days, or for an indefinite period. You may be able to take a distribution of your employee contributions to the Plan during the period of your active duty.

**Additional Information**

If you desire additional information about the Plan, including the Amendments described in the Summary, please contact us below:

HealthEast Human Resources Service Center
1700 University Ave. W.
St. Paul, MN 55104
Tele: (651) 232-1300 (option 4)

Fidelity Investment Tax Exempt Services
82 Devonshire Street
Boston, MA 02109
Tele: (800) 343-0869
TTY: (800) 259-9743
Representatives are available Monday thru Friday 7:00 a.m. -11:00 p.m. (Central Time)

*www.netbenefits.com/healtheast*

Online access 24/7
The information contained herein has been provided by HealthEast Care System and is solely the responsibility of HealthEast Care System.