

# Retirement Savings Plan

## Booklet G

### Contact information:

Fidelity Investments (“Fidelity”) is the recordkeeper and primary contact for the Retirement Savings Plan. For questions and assistance with your Retirement Savings Plan benefits or information in this booklet, log on to Fidelity’s website through:

[www.netbenefits.com/shclpch](http://www.netbenefits.com/shclpch)  
or call (800) 343-0860

Building retirement income takes advance planning and smart investments. Stanford Health Care (as plan sponsor) and Lucile Packard Children’s Hospital Stanford (as a participating employer) encourage you to prepare financially for your future by offering a plan designed to help you save for retirement — the Retirement Savings Plan (the “Plan” or the “RSP”). This booklet is the Summary Plan Description for the RSP; please keep this booklet, along with any Summaries of Material Modifications, with your other important papers.

January 2024

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Summary of the Retirement Savings Plan

Stanford Health Care and Lucile Packard Children’s Hospital Stanford (the “hospitals”) offer the Retirement Savings Plan to help employees save for retirement. The RSP is designed to comply with Section 403(b) of the Internal Revenue Code and is considered a “defined contribution” plan. By participating in the Retirement Savings Plan, you accumulate and invest money in mutual funds or an insurance contract. The amount of money you have at retirement depends on the performance of the investment funds you select. Investment options through the Plan’s record keeper, Fidelity, are made available to plan participants.

A Note about the Tax-Deferred Annuity Plan: Effective December 31, 2014, the Tax-Deferred Annuity Plan was merged into the Retirement Plan, which was renamed the Retirement Savings Plan as of January 1, 2015. Your Tax-Deferred Annuity Plan accounts (including any frozen vendor accounts) were transferred to the Retirement Savings Plan and are included in the portions of your account attributable to pre-tax contributions and rollover contributions, as applicable.

The Retirement Savings Plan at a Glance

|  |  |
|--|--|
| When can you contribute?   | You can make pre-tax and/or Roth contributions and after-tax contributions beginning as soon as administratively feasible following your election.   |
| How much can you contribute?   | <p>Your pre-tax and Roth contributions cannot exceed 75% of your eligible pay or the applicable annual IRS pre-tax/Roth contribution limit.</p> <p>Your after-tax contributions cannot exceed 15% of your eligible pay each pay period (subject to Plan and IRS limits).</p>   |
| <p>How much do the hospitals contribute?*</p> <p>*You must complete the waiting period to be eligible for hospital contributions. See <i>Who is not Eligible</i> below for the groups of regular and relief employees who are not eligible for hospital contributions.</p> | <p>For regular eligible employees, the hospitals contribute an amount equal to 5% of your eligible pay each pay period plus a matching contribution of up to 5%, 6% or 8% (depending on your years of match service) with respect to your pre-tax, Roth and/or after-tax contributions each pay period. Relief eligible employees may be eligible for a 5% contribution for the year if they satisfy certain conditions.</p> <p>For house staff employees, the hospitals contribute an amount equal to 2% of your eligible pay each pay period plus a matching contribution of up to 2% with respect to your pre-tax, Roth and/or after-tax contributions each pay period.</p> |

|   |  |
|---|--|
| When do you become vested in the Plan?  | You are always 100% vested in the Plan. This means when you leave the hospitals, you may take your account balance with you.   |
| Can you withdraw your account balance while you are still working at the hospitals?   | Your own contributions (subject to certain limitations) are eligible for loans, withdrawal upon eligible hardship, age 59 ½ and disability, and qualified reservist withdrawals. You may withdraw your rollover contributions at any time, and your rollover contributions are eligible for loans.   |
| What are the payment options when you leave the hospitals?  | <ul style="list-style-type: none"> <li>• Take part or all of your account balance in cash,</li> <li>• Roll your account balance to another employer's plan or to an IRA,</li> <li>• Leave part or all of your account balance in the Plan, or</li> <li>• Receive all or a part of your account balance in lifetime annuity payments.</li> </ul>  |
| Who receives your account balance if you die while you are employed (or after you leave the hospitals but before your account balance is paid out or annuity payments begin)? | <p>Your beneficiary(ies) receive the balance in your account. However, if you are married, your spouse automatically receives at least 50% of your account balance. You may name your spouse or anyone else for the remaining 50%. Your spouse can give up his or her right to at least 50% of your account balances by providing written, notarized consent. When you turn age 35, your spouse will have to give his/her consent again.</p> <p>Please contact Fidelity to designate a beneficiary. (Designations stored by the Plan's prior recordkeeper, Transamerica, were not transferred to the Fidelity recordkeeping system.)</p> |

*\*Employment or prior service with an employer in the Stanford Controlled Group may affect your eligibility. Please notify the Human Resources Talent Acquisition Recruiter at time of hire if you were previously employed by Stanford Health Care, Lucile Packard Children's Hospital Stanford, Stanford University (including SLAC), University HealthCare Alliance (previously Menlo Health Alliance), Packard Children's Health Alliance, SAA Sierra Programs LLC (including Alpine Chalet), CareCounsel or Lucile Packard Foundation for Children's Health. For a current list of the employers in the Stanford Controlled Group, please contact HR Operations at (650) 723-4748 if you are an employee of Stanford Health Care, or contact HR Solutions at (650) 721-5400 if you are an employee of Lucile Packard Children's Hospital Stanford.*

## Overview

The hospitals want to be sure that you have an opportunity to create a secure, comfortable retirement for yourself and your family. The Retirement Savings Plan helps you save for retirement in several ways.

Upon hire, you:

- May choose to make pre-tax and/or Roth contributions in a percentage (1%, 2%, etc.) of your eligible pay, up to the IRS and Plan limits discussed in the section *Limits on Contributions* on pages 15-16, and
- May choose to make after-tax contributions up to 15% of your eligible pay each pay period (up to the IRS and Plan limits discussed in the section *Limits on Contributions* on pages 15-16).

If you are a regular eligible employee, after you complete the waiting period, you:

- Receive an automatic “basic contribution” from the hospitals each pay period equal to 5% of your eligible pay, and
- Receive the hospitals’ dollar-for-dollar matching contribution on your pre-tax, Roth and/or after-tax contributions up to 5%, 6% or 8% of eligible pay each pay period (depending on your years of match service). You may also receive a true-up matching contribution following the end of the plan year.

If you are a relief\* eligible employee who has completed a waiting period\*\*, you will receive a 5% basic contribution for the plan year if you are employed on the last day of the plan year and are credited with at least 1,000 hours of service for the plan year. Relief employees are not eligible for matching contributions.

*\*For purposes of the Plan, a “relief employee” is a relief, per diem, or similar type of employee, such as a temporary employee. CRONA Relief A, B, and Limited employees are not eligible for hospital contributions, including basic contributions.*

*\*\*The waiting period for the relief basic contribution does not apply to a CRONA employee who was classified as Relief C or D on April 7, 2011 or who changes from regular to eligible relief status on or after April 7, 2011 after at least one year of employment with SHC/LPCH.*

If you are a house staff employee, after you complete the waiting period, you:

- Receive an automatic “basic contribution” from the hospitals each pay period equal to 2% of your eligible pay, and
- Receive the hospitals’ dollar-for-dollar matching contribution on your pre-tax, Roth and/or after-tax contributions up to 2% of your eligible pay each pay period. You may also receive a true-up matching contribution following the end of the plan year.

Please see *Limits on Contributions* on pages 15-16 for more information about IRS and Plan limits that may affect you.

With respect to your Plan account, you can

- Direct the investment of all contributions – both yours and those of the hospitals – into a selection of investment funds,
- Take a loan, make a hardship withdrawal or take certain other kinds of in-service distributions, and
- Receive the money in your account when you retire or leave the hospitals (and all employers in the Stanford Controlled Group).

## Frozen Vendors

You may have an account balance under the Plan with one or more of the Plan's "frozen vendors" (TIAA (formerly TIAA-CREF), Empower (formerly Prudential), and Lincoln (formerly UNUM)), and those accounts are administered by the frozen vendors (rather than by Fidelity). The frozen vendors are not permitted to accept new contributions or transfers, but balances with frozen vendors can be transferred to Fidelity. Contact Fidelity for more information.

It is important that you periodically review any accounts that you may have with the frozen vendors to make sure that your beneficiary designations with the frozen vendors are up to date, especially if you have divorced or experienced another life event. (Note that a divorce does not revoke a beneficiary designation of your former spouse.) Keep in mind that a frozen vendor may require you to complete more than one beneficiary designation form if you have more than one annuity contract and/or custodial account with that frozen vendor.

You should also review your accounts with the frozen vendors to ensure your investments (including related fees and expenses) continue to be consistent with your financial goals. Each year, you will receive fee disclosure about the Plan that includes information about the fees and expenses associated with the investment options available through the frozen vendors. Because your accounts with the frozen vendors are held in individual annuity contracts, **only you (and not SHC or LPCH)** can transfer assets from the frozen vendors to your account with Fidelity. Please see *When You Have Questions* on page 31 for contact information for the frozen vendors.

## Saving for Retirement

When you retire, you stop receiving a paycheck and must live on your retirement income, such as an employer-sponsored retirement plan, your savings, or Social Security. How can you be sure you will have enough to live comfortably during retirement? One way is to start saving early and stick to a consistent savings plan.

### Why Use the RSP to Save for Retirement?

There are many good reasons for using the RSP to help you save for retirement:

- **Convenience.** Your contributions are automatically deducted from each paycheck.
- **Your Employer Contributes.** If you are eligible for hospital contributions, the hospitals will automatically deposit an amount equal to 5% of your eligible pay (2% for house staff

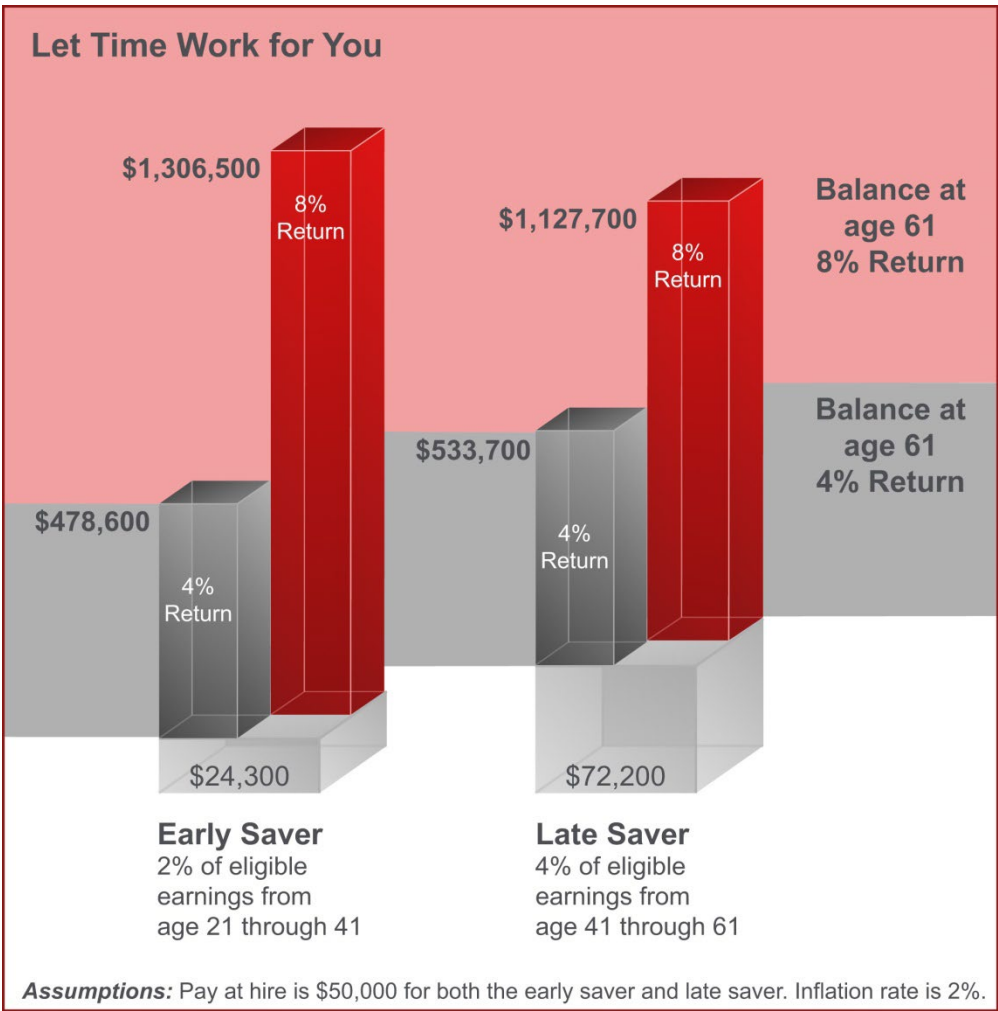


employees) and match a portion of your pre-tax, Roth and/or after-tax contributions to the Plan.

- **Tax Advantage.** When you save with pre-tax dollars, you keep more of your paycheck. Federal and state income taxes on your contributions, the hospitals’ contributions to the Plan and your investment earnings on all contributions are deferred until you withdraw them from the Plan (unless you are able to make a tax-free withdrawal of earnings on your Roth contributions).
- **Portability.** You are always 100% vested in your account balance under the Plan. When you leave the hospitals, you may take your account balance with you.
- **Investment Options.** The Plan offers you a choice of investment options with varying risk and return potential.

Start Saving Now and Let Time Work for You

The value of your account at any time depends on a number of factors, including how much and how long you save, how your investments perform, and whether you take any withdrawals or loans. The examples below show how your account might grow assuming different savings patterns and different rates of return.





The examples also illustrate the value of time. The time at which you start saving could be the single most important factor in determining how much money you may accumulate. Let time work for you! By consistently saving early, your money works for you – instead of you working for your money.

In the examples, the early saver saves less than the late saver, stops saving after 20 years, and still has more money at the end of 40 years than the late saver! Of course, it is always best to save as much as you can for as long as you can.

Please note that the examples above are for illustrative purposes only.

## Investing Your Savings

The amount of money you have in your account at retirement will depend on how much you save, when you start saving, and how you invest that money.

You can see from the examples the difference the rate of return makes. In order to maximize your return, consider these established principles of investing:

### Understand Risk

All investments carry some risk. You should understand your own tolerance for the ups and downs of volatile investments. Make sure your choices outpace inflation while still meeting your personal tolerance for risk.

### Diversify

It is rarely a good idea to have all your eggs in one basket. Stocks, bonds and lower-risk funds often behave very differently; if one fund is doing poorly, another may be doing well. Investing some of your money in several types of funds (instead of just one) can reduce short-term volatility.

### Think Long Term

Once you establish your investment strategy, stick to it. Resist the temptation to move investments around in response to short-term blips in the market. By staying with a diversified portfolio, you maximize your chances for long-term investment growth.

### Investment Management and Other Fees and Expenses

There may be commissions, sales charges, redemption or exchange fees or other transaction fees or expenses which directly affect the balance in your account. Fees or expenses may also be paid by the individual fund or by Fidelity.

In either case, these fees or expenses effectively reduce the rate of return for a particular investment option. Before selecting an investment option, consult the investment information (including prospectuses) provided by Fidelity and available on their website.

### Other Information You Should Obtain Before Selecting Your Investment Options

Review the Plan's annual fee disclosure and/or ask Fidelity for the following additional information about any investment option you are considering:

- A description of the annual operating expenses (e.g., investment management fees, administrative fees, transaction costs) which reduce the rate of return and the aggregate amount of such expenses expressed as a percentage of average net assets,
- Copies of any prospectuses, financial statements and reports and other materials relating to the investment option,
- A list of assets comprising the portfolio of the investment option,
- The current value of shares or units in the investment option as well as past investment performance (determined net of expenses) on a reasonable and consistent basis, and
- Any voting rights, tender rights, or other similar rights that may be passed through to you.

## Plan Participation/Eligibility

### When Can You Participate?

If you are an eligible employee (see *Who Is Not Eligible* below for Plan exclusions and special rules for contribution eligibility), the timing of your participation depends on the type of contribution:

- You are eligible to make pre-tax and/or Roth contributions upon your date of hire. You are also eligible to make after-tax contributions upon your date of hire. Your election(s) to make pre-tax, Roth and/or after-tax contributions will be effective as soon as administratively feasible following your election(s).
- To receive matching and basic hospital contributions, you must complete the waiting period. Your participation for these types of contributions will be effective for the pay period in which you complete the waiting period. Note: pre-tax, Roth, and after-tax contributions are taken into account for purposes of determining your matching contribution (if you are eligible for employer contributions).

### Who Is Not Eligible?

You are not eligible to participate in the Plan if you are not on the hospitals' payrolls (e.g., a temporary agency or contract worker) or you are a nonresident alien with no U.S. source income.

### ***Who is not eligible for hospital matching contributions?***

You are not eligible to receive matching contributions if you are a relief employee.

### ***Who is not eligible for basic contributions?***

You are not eligible to receive basic contributions if you are:

- A relief employee who has not met the applicable service requirements for the plan year (see *Hospital Contributions* on page 12), or

- A relief employee who is a CRONA Relief A, B or Limited employee.

## Waiting Period

Eligible employees must complete one year of eligibility service (also called the waiting period) before becoming eligible to receive matching and basic hospital contributions.\* You earn one year of eligibility service for 12 months of employment with the hospitals. For determining your years of eligibility service, you will also receive credit for any period of severance of less than 12 months as well as qualifying leaves of absence for maternity or paternity reasons. This means that all periods of employment shall be aggregated in determining your total years of service for the waiting period.

*\*The waiting period for the relief basic contribution does not apply to a CRONA employee who was classified as Relief C or D on April 7, 2011 or who changes from regular to eligible relief status on or after April 7, 2011 after at least one year of employment with SHC/LPCH.*

## Other Service Credited to Your Waiting Period

In some instances, other service will help you meet the waiting period to become a participant in the Plan. If you have questions about the prior service credit rules described below, please contact HR Operations at (650) 723-4748 if you are an employee of Stanford Health Care or contact HR Solutions at (650) 721-5400 if you are an employee of Lucile Packard Children's Hospital Stanford.

### **Service as an Ineligible Employee**

All service with the hospitals – even service as an ineligible employee – counts toward your waiting period when you become an eligible employee. However, service as a contract or temporary agency worker does not count toward the waiting period because contract and temporary agency workers are not employees of Stanford Health Care or Lucile Packard Children's Hospital Stanford.

### **Service as a Former Employee**

If you leave the hospitals before you have completed the waiting period, your prior service will count toward the waiting period. If you leave the hospitals after you have completed the waiting period and return to work for the hospitals, you will not have to complete another waiting period. Please notify the Human Resources Talent Acquisition Recruiter at time of hire if you were previously employed by one of the hospitals.

### **Service with other Stanford Controlled Group Members**

Service credit toward the waiting period is given to employees who leave Stanford University (including SLAC), SAA Sierra Programs LLC (including Alpine Chalet), University Healthcare Alliance (doing business as Stanford Medicine Partners and formerly known as Menlo Health Alliance), Packard Children's Health Alliance, CareCounsel or Lucile Packard Foundation for Children's Health and are subsequently hired as eligible employees by one of the hospitals. You generally will receive service credit for your employment during the period in which your prior employer was a member of the Stanford Controlled Group.

Please notify the Human Resources Talent Acquisition Recruiter at time of hire if you were previously employed by one of these controlled group members.

## ***Employees Who Become Hospital Employees as a Result of a Future Merger/Acquisition***

Eligible individuals who become employees of one of the hospitals as part of a future merger or acquisition may be given credit for service with your former employer depending on the terms of the merger or acquisition.

## **Contributions and Vesting**

### **Your Contributions**

You are eligible to make pre-tax and/or Roth contributions to the Plan, as well as after-tax contributions under the Plan. All three of these types of contributions are eligible for matching contributions up to your matching contribution rate, if applicable to you.

### ***Pre-tax and Roth Contributions***

You may elect to contribute between 1% and 75% of your eligible pay through convenient payroll deductions on a pre-tax basis, Roth basis, or a combination of both.

- Pre-tax contributions will lower your current taxable income, because your pre-tax contributions are made on a before-tax basis, so you do not pay federal and state income taxes on your pre-tax contributions until you receive a distribution. For income tax purposes, your pre-tax contribution will not be included as wages on your Form W-2 for the year.
- Roth contributions are made on an “after-tax” or “Roth” basis, which means that they are included in your taxable income for the year in which the contributions are made. You may irrevocably designate all or a portion of your employee contributions as Roth contributions. This means that while you may prospectively change your election from Roth to pre-tax, any amounts previously designated as Roth contributions may not be changed retroactively. The Roth contributions and, if you meet certain requirements, the earnings, will not be subject to federal income taxes when they are later distributed to you from the Plan.

Your total pre-tax and Roth contributions cannot exceed the applicable IRS annual pre-tax/Roth contribution limit (which is \$23,000 for 2024 or, for participants who are at least age 50, \$30,500). As of January 1, 2024, if you are at least age 50 by the end of the calendar year and your FICA wages for the prior calendar year are over the applicable IRS threshold (\$145,000 for 2023 FICA wages), your catch-up contributions will be automatically made on a Roth basis.

### ***After-tax Contributions***

Eligible employees can make after-tax contributions to the Plan as well. If you will hit the applicable IRS annual limit on pre-tax/Roth contributions before the end of the year, after-tax contributions are a convenient way to save additional money for your retirement. After-tax contributions are capped at 15% of your eligible pay for the pay period (and by the limits described on pages 15-16).

It is important to note that after-tax contributions are not Roth contributions, so you will pay taxes on the investment earnings when they are withdrawn from the Plan.

**Changing Your Contributions**

You can increase, decrease, or stop your pre-tax, Roth and/or after-tax contributions at any time. Your change will be effective as soon as administratively possible, which is usually within two payroll periods after you make your contribution election with Fidelity.

**Hospital Contributions**

If you are eligible, the hospitals help you save in two ways. See *Who is not Eligible* above for the groups of regular and relief employees who are not eligible for hospital contributions.

**Automatic Basic Contribution**

For regular eligible employees, beginning with the first pay period during which you complete the waiting period, the hospitals contribute an amount equal to 5% of your eligible pay for that pay period into your RSP account, whether or not you make any contributions.

After completing the waiting period\*, relief eligible employees receive the hospitals' 5% contribution at the end of each calendar year in which you complete 1,000 hours of service, provided you are employed on the last day of the year.

\* The waiting period for the relief basic contribution does not apply to a CRONA employee who was classified as Relief C or D on April 7, 2011 or who changes from regular to eligible relief status on or after April 7, 2011 after at least one year of employment with SHC/LPCH.

For house staff employees, beginning with the first pay period during which you complete the waiting period, the hospitals contribute an amount equal to 2% of your eligible pay for that pay period into your RSP account, whether or not you make any contributions.

**Matching Contributions**

For regular eligible employees, the hospitals will match your contributions up to a maximum percentage determined based on your years of match service (which are based on your SHC adjusted date of hire or your LPCH company seniority date, as applicable):

| Years of Match Service            | Matching Contribution Rate |
|-----------------------------------|----------------------------|
| Less than 5 years                 | 5%                         |
| At least 5 but less than 10 years | 6%                         |
| 10 or more years                  | 8%                         |

For example, if you have 4 years of match service and you contribute 5%, a total amount equal to 15% of your eligible pay (your 5% contribution plus a 5% matching contribution and a 5% basic contribution) will go into the Retirement Savings Plan. You can increase your savings by making additional pre-tax, Roth and/or after-tax contributions (up to the annual IRS and Plan contribution limits).

Relief employees do not receive matching contributions. Participants in the Stanford Health Services Exempt Employees Retirement Plan (EERP) on October 31, 1997, may have a matching contribution rate of 5% if they met certain criteria on October 31, 1997.

For house staff employees, the hospitals will match your contributions up to 2% of your eligible pay for the pay period. You can increase your savings by making additional pre-tax, Roth, and/or after-tax contributions (up to the annual IRS and Plan contribution limits).

### **True-up Matching Contributions**

The hospitals' matching contribution will never exceed your matching contribution rate for a payroll period. Therefore, if you contribute more than your matching contribution rate for some payroll periods and less than your matching contribution rate for other payroll periods, you could receive less in matching contributions over the year than had you contributed at an even rate throughout the year. To enhance the hospitals' matching contributions for those employees whose contributions may vary over the course of the plan year, the Plan provides an additional "true-up" matching contribution.

For example, if your matching contribution rate is 5%, and you contribute 0% for a pay period and then contribute 8% in the next pay period to make up for the missing contributions, you will only receive a 5% matching contribution for the second pay period even though you contributed 8% because your matching contribution is limited to 5% each pay period. At the end of the year, the hospitals will review the pre-tax, Roth and after-tax contributions made for the entire plan year and "true-up" your account by providing any missing matching contributions. True-up contributions will be posted after the close of the plan year.

*Important Note:* Matching contributions (including the true-up matching contribution) and basic contributions could be limited if your total contributions reach the annual IRS limit on total contributions (\$69,000 for 2024) before you have received all of the employer contributions to which you otherwise would be entitled. You should plan your after-tax contributions so that they do not cause you to exceed the annual limit before you have received the maximum employer contributions to which you otherwise would be entitled for the year. You can contact Fidelity for assistance in determining your contribution elections.

### **Definition of "Eligible Pay"**

Generally, for the purposes of the Plan, "eligible pay" includes:

- Base pay, including your contributions to the Retirement Savings Plan and other pre-tax contributions to hospital employee benefit plans,
- Non-weekend evening and night shift differential associated with straight time pay, and
- Paid time off paid out as cash or pay.

Eligible pay does not include:

- Any earnings for any portion of the year when you are not a participant,
- Any earnings from overtime, double time, bonuses or extra service pay or any other allowances,\*
- Severance pay,



- Premium or on-call pay, or
- Any military-related differential wage payment.

\*For weekend x-ray technicians or weekend radiology supervisors hired prior to January 1, 2014 (including an individual who was reclassified as a CT technologist) who work consecutive 8-hour shifts, this exclusion does not apply to overtime compensation and weekend shift differential pay.

For CRONA employees, “eligible pay” includes the following types of pay:

- Regular hourly rate earnings,
- Night and evening shift differential pay (including overtime and double time on such shift differential pay),
- Straight time portion of overtime and double-time earnings, and
- CRONA officer pay.

In all cases, amounts described above that are paid after severance from employment will be included only if the payment is made no later than the last day of the plan year following severance from employment (or 2 ½ months after severance from employment if payment is made later than the last day of the plan year). For purposes of hospital contributions, the Plan cannot consider annual pay over \$345,000 for 2024 (this IRS compensation limit is periodically adjusted by the IRS). Further, your total after-tax contributions for a plan year are limited to 15% of the IRS annual compensation limit for the plan year. For information about IRS limits on contributions, see *Limits on Contributions* on pages 15-16.

## **Rollovers and Plan-to-Plan Transfers from Other Plans**

You may roll over money from an IRA or a previous employer’s 401(a), 401(k), 403(a), 403(b) or governmental 457(b) plan into your Plan account with Fidelity (including rollovers of Roth 401(k), Roth 403(b) or Roth governmental 457(b) contributions). If your rollover includes after-tax and/or Roth contributions, it must come directly from another 403(b) plan, a qualified plan, or a governmental 457(b) plan. Call Fidelity for instructions on how to roll over money to your Plan account. The Plan does not accept rollovers from Roth IRAs.

If you have an account under the CRONA 403(b) Retirement Plan, the Lucile Packard Children’s Hospital at Stanford Tax-Sheltered Annuity Plan or the Stanford Contributory Retirement Plan, you may transfer your account balance to the Plan. Contact Fidelity for more information.

Note: if you have an account under a plan sponsored by a Stanford Controlled Group member (other than the Stanford Contributory Retirement Plan, as described above) and you become a hospital employee, you will not be able to consolidate your accounts by transferring your account to the RSP.

Rollovers and plan-to-plan transfers are subject to Plan distribution rules. See *Loans and Distributions* on pages 16-19 for more information.



## In-Plan Roth Conversions.

The Plan permits you to convert pre-tax amounts and traditional after-tax amounts (with related earnings) (including after-tax rollover contributions) held in the Plan by Fidelity to Roth contributions by transfer to your Roth contribution account under the Plan. At the time of the in-Plan conversion, the pre-tax amounts (including earnings on any after-tax amounts) will be subject to taxes and you will receive a Form 1099-R for the plan year in which the conversion occurs. You will be responsible for paying the taxes associated with the conversion from your assets outside the Plan, and Roth conversions are irrevocable. Please consult with your tax advisor to ensure that an in-Plan Roth conversion is appropriate for you.

In-Plan Roth conversions are not subject to the IRS annual limit on Roth contributions and do not require spousal consent. Conversion will not affect the in-service distribution rules that apply to the amounts that you have converted. Contact Fidelity for more information about in-Plan Roth conversions.

## Vesting in Your Plan Account

You are always fully vested in your account balance under the Plan. This means you will never forfeit your contributions, the hospital contributions made to your Plan account or the earnings on these contributions. However, your account balance is affected by the investment performance of the funds you select.

## Enrolling

To start your retirement savings in the RSP, follow these steps:

1. Decide how much you want to save through pre-tax and/or Roth contributions and, if desired, after-tax contributions (up to applicable Plan limits). You must make a **separate** election for each of these types of contributions. To maximize your savings, start making pre-tax and/or Roth contributions upon hire.
2. Enroll through the Fidelity website by logging on to [www.netbenefits.com/shclpch](http://www.netbenefits.com/shclpch) (you can also enroll by calling Fidelity at 800-343-0860). Click on the Retirement Savings Plan, under Financial Education, and select the link out to Fidelity. Read the Welcome Package you will receive from Fidelity.
3. Select your investment funds on the Fidelity website. If you do not elect an investment fund(s), Fidelity will default you to an age-appropriate target retirement date fund (currently, a Fidelity Freedom Index Fund).
4. Designate your beneficiary(ies) online through the Fidelity website or by printing out the form on the Fidelity website, completing it, and mailing the form to Fidelity. Please see the section called *Plan Beneficiaries* on page 22 for important information about the Plan's beneficiary rules.

To obtain the hospital matching contribution as soon as possible, make sure you are contributing at least the applicable percentage of pre-tax, Roth and/or after-tax contributions that corresponds to your matching contribution rate as soon as you are eligible for hospital matching contributions.

If you do not enroll in the Plan and make pre-tax, Roth and/or after-tax contributions, you will not receive matching contributions, but the hospitals will still make the 5% basic contribution on your behalf beginning with the first pay period during which you complete the waiting period. Until you provide affirmative investment directions, the automatic 5% basic contribution will be deposited every pay period into the Plan's default fund.\*

*\*The current default fund is the age appropriate Fidelity Freedom Index Fund.*

## Limits on Contributions

In addition to the annual IRS compensation limit that applies to your eligible pay, the IRS limits the amount you and the hospitals can contribute each calendar year to the RSP in two other ways. Contributions to your Plan accounts may not exceed either limit. In addition, certain Plan administrative limits apply.

### **Your Pre-tax/Roth Contribution Limit**

This is a dollar amount that is periodically adjusted by the IRS. It applies to your total calendar year pre-tax and Roth contributions to all employer plans (including plans sponsored by employers other than the hospitals); it does not apply to hospital contributions or traditional after-tax contributions. The dollar limit is higher for individuals who are or will be at least age 50 during the calendar year. For 2024, the limit is \$23,000 (or, for individuals who are or will be at least age 50 during the calendar year, \$30,500). The IRS adjusts the pre-tax/Roth contribution limit periodically. Note that beginning in 2024, if your FICA wages for the prior calendar year are over the applicable IRS threshold (\$145,000 for 2023 FICA wages), your age 50 catch-up contributions will be automatically made on a Roth basis.

Please contact Fidelity if you would like assistance in choosing a pre-tax/Roth contribution election that will maximize your matching contributions for the plan year.

### **Overall Limit**

The annual IRS overall limit for 2024 is \$69,000 but may increase in future years with inflation. The overall limit applies to the following contributions:

- Your pre-tax, Roth and after-tax contributions to the Plan, but excluding the extra pre-tax/Roth amount you can contribute at or after age 50 (\$7,500 for 2024), and
- The hospitals' basic 5% and matching contributions to your Plan account.

Please contact Fidelity if you would like more information on how the IRS overall limit will apply to you; in some cases, you may need to adjust your elections to ensure that you receive the maximum basic and matching contributions for the plan year. In particular, please ensure that your after-tax contribution election does not cause you to reach the annual IRS overall limit for the plan year before you have maximized your hospital contributions for the year.

### **Plan-Based Limits**

In addition to the IRS limits, the hospitals limit your pre-tax and Roth contributions to the Plan. Your total pre-tax and Roth deductions from each paycheck are limited to 75% of eligible pay. Finally, after-tax contributions from each paycheck are limited to 15% of eligible pay (in addition to the limit on your total after-tax contributions for the plan year of 15% of the IRS annual compensation limit).

## ***Retirement Plan Fairness Tests***

In return for favorable tax treatment, the IRS requires plans with after-tax contributions and hospital contributions to pass certain tests. If these tests are not met, it may be necessary to adjust the amounts permitted to go into the Plan. The hospitals may reduce your contributions or matching contributions in order to pass these tests. If you are affected, you will be contacted.

## **Loans and Distributions**

### **Loans**

You may borrow money from your Plan account balance attributable to your pre-tax, Roth, after-tax, and rollover contributions for any reason if your Plan account balance is \$2,000 or more. You may not borrow from your matching and basic contributions.

### ***Amount You May Borrow***

The minimum amount you may borrow from your account is \$1,000. The maximum amount you may borrow is the lower of: (a) 50% of your Plan account balance with Fidelity attributable to your pre-tax, Roth, after-tax and rollover contributions, or (b) \$50,000 reduced by any outstanding loan balance in the prior 12 months. (Loans under any plan in the Stanford Controlled Group are taken into account for purposes of the IRS limits on loans.)

You may have two outstanding loans (without regard to any TIAA loan outstanding as of July 25, 2014). However, if you have an unpaid loan balance treated as a deemed distribution, you will not be permitted to take a new loan until it is paid off.

### ***How Fidelity Secures Your Loan***

To fund your loan, money is deducted from all your Plan account funds on a pro-rata basis. Each loan repayment (principal plus interest) is reinvested proportionately among all your investment funds according to your most current investment instructions.

### ***Applying For a Loan***

Contact Fidelity to apply for a loan. Fidelity will provide you with the specific details of the loan process, such as the application process, timing of the loan distribution and repayment schedule.

If you are married, you must obtain your spouse's notarized written consent to take a loan.

### ***Interest Rates***

The interest rate you pay for loans from Fidelity accounts is fixed for the term of the loan. The published prime rate plus 1% on the last day of each calendar quarter is used for all loans begun in the following quarter.

### ***Loan Terms***

The minimum loan repayment period is 12 months and the maximum loan repayment period is 60 months or five years. The maximum loan term to purchase your primary residence is 120 months or 10 years.

### ***Loan Fees***

Fidelity charges \$75 to set up the loan, and there is currently no quarterly maintenance fee. Any loan fees are deducted from your account.

## ***Loan Repayment***

You arrange directly with Fidelity to repay your loan on a monthly or quarterly basis by authorizing the transfer of funds from your designated checking or savings account. You may continue to pay your loan during an authorized leave of absence (including military leave) or you may request to suspend payments for up to one year (but no longer than the term of your authorized leave of absence). After you leave the hospitals, you must continue to repay your loan or it will be distributed to you and become subject to any taxes and penalties.

You may pay off your Fidelity loan in full early without a prepayment penalty.

## ***If You Leave the Hospitals with an Outstanding Loan***

You must continue repaying your loan for the balance of the loan term. If you default on your loan, the IRS treats any unpaid loan balance as a distribution subject to applicable income and penalty taxes.

## ***A Note on TIAA Loans***

Loans are only available through Fidelity. You will continue to repay any outstanding TIAA loans as of July 25, 2014 under the terms of those loans. TIAA will accept partial or full payments without penalty. When the loan is fully repaid, the balance in the collateral account can be re-allocated by contacting TIAA.

## **Hardship Withdrawals**

You can request a hardship withdrawal from your Plan account attributable to your pre-tax, Roth, and after-tax contributions. Hardship withdrawals are subject to strict limitations by the Internal Revenue Code. Hardship withdrawals are only available through Fidelity.

## ***Eligible Expenses***

A hardship withdrawal is allowed only in situations of extreme financial hardship that cannot be met with any other reasonably available resources, including distributions (other than hardship distributions) from this Plan. Please note: If you have retirement accounts with any employer in the Stanford University Group, the rules relating to the availability of a hardship withdrawal will be applied taking into account any retirement plans sponsored by the employers in the Stanford Controlled Group.

Under IRS regulations, you can make a hardship withdrawal for:

- Unreimbursed medical expenses (those that are not paid by medical coverage) for yourself, your spouse or a dependent,
- Purchase of your primary residence (down payment and closing costs, but not mortgage payments),
- Tuition, related educational fees and room and board expenses for the next 12 months for postsecondary education for you, your spouse or dependent,
- Payment to prevent eviction or mortgage foreclosure on your primary residence,
- Certain expenses related to the repair of damage to your primary residence that would qualify for a casualty deduction on your federal income tax return (determined

without regard to whether the loss exceeds 10% of your adjusted gross income). For example, this would include expenses incurred to repair property damage that resulted from a natural disaster, flood damage or fire,

- Burial or funeral expenses for your deceased parent, spouse or dependents, or
- Expenses and losses (including loss of income) that you incurred on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, provided you're your principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

### ***Limits on Hardship Withdrawals***

The maximum hardship withdrawal is the lesser of:

- The amount of your financial hardship plus any amounts necessary to pay federal, state or local income taxes, as well as penalty taxes on premature distributions, or
- The value of the portion of your account attributable to your pre-tax contributions and after-tax minus the income earned by your pre-tax contributions.

Hospital contributions and earnings on your pre-tax contributions are not available for hardship withdrawals, nor are amounts transferred from the CRONA Section 403(b) Retirement Plan.

### ***To Apply for a Hardship Withdrawal***

Contact Fidelity directly to obtain the application form and the Hardship Withdrawal forms. You must submit supporting documents and original distribution forms with your spouse's notarized written consent if you are married. Upon receipt of original completed forms, Fidelity will confirm eligibility within 10 business days. Your hardship withdrawal will be subject to income taxes and any applicable penalty taxes.

### **Other In-Service Withdrawals**

In addition to loans and hardship withdrawals, in-service withdrawals from your Plan account attributable to pre-tax, Roth, and after-tax contributions are allowed when one of the following events occurs:

- You reach age 59 ½,
- You become disabled (within the meaning of the Internal Revenue Code), or
- You are eligible for a qualified reservist distribution.

Distributions of rollover contributions and related earnings are allowed at any time. See pages 23-24 for information about the payment options available when your money is withdrawn under one of these circumstances.

## Distributions upon Termination of Employment or Death

Your entire Plan account balance is eligible for distribution upon your termination of employment with the Stanford Controlled Group or upon your death. Please note that you must wait 30 days to request a distribution upon termination of employment. See pages 23-24 for information about the payment options available under one of these circumstances.

## Investment of your Plan Account

### Fidelity Contact Information

- Customer Service Representative: 800-343-0860
- Mon-Fri. 5:30 a.m. to 8 p.m. PT
- Website: [netbenefits.com/shclpch](http://netbenefits.com/shclpch)
- [www.healthysteps4u.org](http://www.healthysteps4u.org) and link to Fidelity
- 24-Hour Automated Telephone Service: 800-343-0860

Dedicated onsite Fidelity representatives are available to meet with you about the Plan.

Call Fidelity or visit their website to set up an appointment.

### Changing Investment Allocations

You can change your investment allocation for future contributions and/or your existing account balance as often as you wish by calling Fidelity or by accessing your account online. Most investment changes will be processed immediately, based on the current market rate. Each request to redistribute your existing account balances must be settled before you may make another request. (To make changes to your account balance with a frozen vendor, you must contract the frozen vendor.)

### Investment Options

The Plan is intended to be a plan described in section 404(c) of ERISA and the fiduciaries of the Plan are generally relieved of liability for any losses which are the direct and necessary results of investment instructions given by a participant or beneficiary, including deemed elections to invest in the Plan's default fund.

The SHC Retirement Committee selects the investment options made available under the Plan. If you do not affirmatively direct the investment of your accounts, either at initial enrollment or when notified of a change in the investment menu, your accounts will be invested in the applicable default fund selected by the SHC Retirement Committee.

## Managing the Investment of Your Account

When you enroll in the Plan, you select and tailor your investments to meet your needs. You are responsible for managing your Plan account.

Fidelity sends an account statement electronically (or to your home, if you elect to receive paper statements) every quarter. In addition, Fidelity offers several ways to help you access your account, obtain information, or perform transactions every day.\* Please see the chart on the following page for more information.

*\*Please see Frozen Vendors on page 6 for important information about the investment of your accounts with frozen vendors. You must contact the frozen vendor to make changes to the investment of your account.*

### TIP

1. If you suspend your contributions to the Plan, hospital matching contributions also stop.
2. Your pre-tax contributions, Roth contributions, and after-tax contributions are calculated each pay period as a percentage of your current eligible pay. Whenever your hourly rate of pay changes, the dollar amount of your Plan contributions changes automatically.



## Three Ways to Manage Your Account

| What You Can Do   | 1<br>Call Fidelity during business hours.<br>800-343-0860<br>Mon-Fri. 5:30 a.m. to 8 p.m. (PT) | 2<br>Call the Fidelity automated telephone help line 24 hours each day.<br>800-343-0860 | 3<br>Go online over the internet to Fidelity's website and setup a personal login number.<br><a href="http://www.netbenefits.com/shclpch">www.netbenefits.com/shclpch</a> |
|---|--|---|---|
| Check account balance   | +  | +   | +   |
| Change investment allocations   | +  | +   | +   |
| Obtain fund information   | +  | +   | +   |
| Change beneficiary designation  | +  |   | +   |
| Initiate a loan from your Plan account  | +  |   | +   |
| Initiate a hardship withdrawal from your Plan account   | +  |   |   |
| Request a distribution or rollover when you leave SHC/LPCH  | +  |   |   |
| Transfer money from another investment company  | +  |   |   |
| <i>In addition, every quarter Fidelity sends a monthly statement to you electronically (unless you elect paper delivery).</i> |  |   |   |

## Plan Beneficiaries

### Naming a Beneficiary

When you participate in the Plan, you must designate a beneficiary\* in the event of your death. Your beneficiary can be anyone you choose and you can choose more than one person or name a trust. If you choose more than one beneficiary, they will each receive equal shares of your account balance unless you indicate otherwise. You can also choose a contingent beneficiary to receive your account balance in the event that your primary beneficiary is not living at the time of your death.

You may designate a beneficiary online through Fidelity's website. If your beneficiary designation requires spousal consent (see *Consent of a Spouse* below) or if you prefer to submit a beneficiary designation on paper, you may download the form from the Fidelity website and mail it to Fidelity at the address specified on the form.

If you have not named a beneficiary for the Plan, or if the beneficiary is no longer living at the time of your death, your account balance will revert to your spouse or, if you are unmarried, your estate. Please note that you must designate your beneficiary through the Plan; the terms of your will or a trust agreement will not be taken into account in determining your beneficiary under the Plan. *It is also important to note that beneficiary designations from the Plan's prior recordkeeper (Transamerica) did not carry over to the Fidelity recordkeeping system; you must designate your desired beneficiary through Fidelity.*

*\*See Frozen Vendors on page 6. You must designate a beneficiary with each frozen vendor as well as with Fidelity.*

### Changing Your Beneficiary

You should review your beneficiary designations periodically to make sure they are current, especially if you have divorced or experienced another life event. (Note that a divorce does not revoke a beneficiary designation of your former spouse.) You can change your beneficiary designations anytime for your Plan account. To do this, you need to contact Fidelity at 1-800-343-0860 or online through the Fidelity website.

### Consent of a Spouse

If you designate someone other than your spouse (or in addition to your spouse) to receive more than 50% of your account balance, your spouse must consent to this designation in writing on the proper form. This consent acknowledges the effect of your election and must be witnessed by a notary public. Fidelity will be able to give you more details about the spousal consent requirement.

If you were less than 35 years old when you initially submitted your spousal consent, you will need to obtain your spouse's notarized written consent again when you turn 35.

For Plan purposes, including (but not limited to) the consent rules described above, your spouse is the individual to whom you are legally married.

### Designation of Minor Children

Designations of a minor child as a beneficiary under the Plan may require a formal court proceeding to appoint a guardian of the child's property. This process can be costly and delay the child's receipt of the funds. To avoid this, you may wish to designate that your account

balance be paid to a named individual as custodian for the child or to a trustee of a trust created under your will or some other instrument for the benefit of your child.

## Benefits for Employees on Military Leave

The Plan operates in compliance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and the Heroes Earnings Assistance and Tax Relief Act of 2008. If you return from qualified military service within the time frame outlined under USERRA, you will not be treated as having had a break in service. You will be entitled to make up your missed pre-tax, Roth, and after-tax contributions and receive any corresponding matching contributions and/or 5% basic contributions to the extent required by, and consistent with, applicable law. If you are on a qualifying military leave, special rules may apply to your outstanding loans and you may also be permitted to receive a qualified reservist distribution. Please contact Fidelity with any questions relating to Plan benefits and your military service.

## Payment Options

When your employment with the hospitals (and all employers in the Stanford Controlled Group) terminates, you die, or you take a permissible in-service withdrawal from your Plan account, your payment options will include the options listed below. Please note that you must wait 30 days to request a distribution upon termination of employment.

To apply for a distribution from the Plan, contact Fidelity (or the applicable frozen vendor), and request a distribution form. If you are married, your spouse's notarized written consent to the distribution is required unless you elect payment in the form of a joint and survivor annuity.

### 1. Take the Cash Value of Your Account

When you elect to cash out a portion or all of your account balance, the check you receive is made payable to you. The IRS requires that 20% of your payment be withheld for income taxes. You can apply the withheld 20% to any income and penalty taxes you owe when you file your income tax return.

### 2. Direct Rollovers to Another Plan

You may elect to have your account balance directly rolled over into an IRA or another employer's 401(a), 401(k), 403(a), 403(b) or governmental 457(b) plan. Before requesting a rollover, verify with your new employer that their plan will accept the rollover.

### 3. Leave Your Account in the Plan

You may leave your accounts in the Plan. You must take a distribution from the Plan by the April 1 of the year following the year in which you reach age 72 (or, if you turned age 70 ½ before January 1, 2020, age 70 ½) and by each December 31 after that date.

Note: Failure to take the minimum required distribution for a calendar year may trigger a 50% excise tax for the missed minimum required distribution when you file your income tax return, so be sure not to miss this deadline.

### 4. Lifetime Annuity Payments and Other Options

You have certain guaranteed payment options if you choose to have your account balance paid out under a lifetime annuity.

- **50% Joint and Survivor Annuity.** This option pays you a monthly lifetime benefit. Following your death, your surviving spouse will receive a lifetime monthly benefit equal to 50% of your monthly benefit. If you are receiving a joint and survivor annuity and your beneficiary dies before you, your monthly payment will remain the same and you cannot name a second beneficiary. Following your death, no benefits are payable. If you are married, are receiving a joint and survivor annuity with your spouse as your beneficiary and you later remarry (because of divorce or the death of your spouse) your second spouse will not be covered under this payment option.
- **Single Life Annuity.** This option pays a higher monthly lifetime benefit than the 50% Joint and Survivor option but there is no death benefit payable to anyone following your death.
- **Other Options.** Call Fidelity (and any frozen vendor, if applicable) for information about other forms of annuity payments or any installment payment options they offer.

## Death Benefit Options

Your beneficiaries receive 100% of your account balance if you die before you begin to receive payments. Current law requires your spouse to receive a minimum of 50% of your account balance – unless he or she has given up this right by providing notarized written consent. Your beneficiary generally has the same payment options you have, except that a beneficiary who is not your spouse may not roll your account over to another employer's plan, and your beneficiary will be subject to applicable IRS rules regarding distribution timing for beneficiaries. If you die while receiving annuity payments, death benefits will be issued in accordance with the type of payment you were receiving.

## Income Taxes on Payments and Withdrawals

Federal laws give the Plan tax advantages to encourage you to save for retirement. As long as your contributions, hospital contributions and earnings on all contributions remain in the Plan, they are not taxable under current federal tax laws. However, they become taxable once they are distributed to you. Lump-sum payments made directly to you are subject to a mandatory 20% federal income tax withholding. When you request a distribution, information about this mandatory withholding will be sent to you. In general, if you are younger than age 59 ½ when you receive the funds, you also will be subject to the penalty taxes described below.

IRS regulations allow you to postpone paying taxes on your Plan distribution (and avoid the mandatory 20% federal income tax withholding) by rolling it over directly into an IRA or into another employer's plan that accepts rollover contributions.

## Penalty Taxes for Premature Distributions

In many cases, federal tax law imposes a 10% penalty tax on distributions made before age 59 ½. This penalty tax is in addition to income taxes. Fidelity (or the frozen vendor) reports all distributions to the IRS and you must report the distribution when you file your taxes. At that time you will be subject to a penalty tax equal to 10% of the taxable portion of your distribution. Also, California currently imposes a 2½% penalty tax on premature distributions. The penalty taxes generally do not apply if:

- You are age 59½ or older at the time of distribution,

- The taxable distribution is rolled over directly into an IRA or into another employer's plan within 60 days of receiving the distribution,
- The distribution is made because of:
  - termination of employment with the hospitals (and all employers in the Stanford Controlled Group) after you reach age 55,
  - death,
  - disability, or
  - A qualified domestic relations order (QDRO). A QDRO is a court order under state domestic relations law that meets certain federal requirements and awards part or all of your plan account to your spouse, former spouse, child, or dependent,
- The amount of the distribution does not exceed the amount you could deduct on your federal income tax return for medical expenses,
- The distribution is paid in the form of an annuity in accordance with strict IRS requirements, or
- You are a qualified military reservist.

The hospitals cannot give you tax advice. Please consult a tax advisor about the specific tax consequences before receiving your plan money. The tax laws are complex and change frequently.

### Circumstances Which Can Affect Your Plan Account

This Booklet summarizes the major provisions of the Plan and when your Plan account is payable. There are some circumstances, however, when you or your beneficiary may find that some benefits are less than you may have expected or are not payable.

Some of these circumstances include:

- If you fail to keep Fidelity (and any frozen vendors) informed of your current address and the name and current address of your beneficiary, this could delay or prevent the payment of your account,
- If the Plan is terminated, you will not be able to continue to make contributions to the Plan and the hospitals will not continue to make contributions to the Plan, if any,
- If a qualified domestic relations order (QDRO) requires the Plan to set aside a portion of your account for payment to your spouse, former spouse or children, you will have no rights to that portion of the value of your account. If you need information about the Plan's QDRO procedures or would like a copy of the procedures at no charge, please contact HR Operations at (650) 723-4748 if you are an employee of

Stanford Health Care or contact HR Solutions at (650)-721-5400 if you are an employee of Lucile Packard Children's Hospital Stanford.

- The Internal Revenue Service places restrictions on the amount of contributions you can make each year to the Plan. If your contributions exceed IRS limits, part of your contributions may be returned to you, and
- The actual amount paid from the Plan may be more or less than you anticipated because your account balances are based on the market value of the investment funds which may increase or decrease. The Plan is intended to be a plan described in section 404(c) of ERISA and the fiduciaries of the Plan are generally relieved of liability for any losses which are the direct and necessary result of investment instructions given by a participant or beneficiary (including deemed elections to invest in the Plan's default funds).

## Your Rights and Privileges Under ERISA

### Statement of Participant Rights

As a participant in the Plan, you have certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that, as a plan participant, you will be entitled to the following:

### Receive Information about Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts, collective bargaining agreements 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 Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, collective bargaining agreements and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may request 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 with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stopped working now under the Plan. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

### Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon those who are responsible for the operation of the Plan.



The people who operate the Plan, called “fiduciaries,” have a duty to do so prudently and solely in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other person, may fire you or discriminate against you in any way to prevent you from obtaining a benefit from the Plan or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a benefit under the Plan 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 (with no 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 a copy of plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in 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 Plan Administrator. If you have a claim for benefits that is 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 of one concerning the qualified status of a Domestic Relations Order, you may file suit in federal court.

If the Plan’s fiduciaries should 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(s) 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 frivolous).

### **Assistance with Your Questions**

If you have any questions about the Plan, 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 Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington D.C. 20210.

You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## **Claims Procedures and Rights for Review**

If you believe you are being denied any rights or benefits under the Plan, you (or your duly authorized representative) may file a claim in writing with the Plan Administrator.

If your claim is denied, in whole or in part, you will be notified in writing (or electronically), and the notice will include the following information: the specific reasons for the decision, including specific reference to the pertinent Plan provisions; a description of any additional materials or information necessary to perfect your claim; and an explanation of why such materials or information are necessary. The notice will also advise you of your right to request a review of



your claim, the steps you need to follow if you wish to submit your claim for review and your right to file suit in federal or state court if your claim is denied on review.

Such notification will be given within 90 days after your claim is received by the Plan (or within 180 days, if special circumstances exist requiring additional time and you received a written explanation for the extension within the initial 90-day period). At that time, you may request a review of the denial of your claim.

At any time within 60 days after receipt of a notice of denial, you or your duly authorized representative may submit a written request for review by the appeals committee by delivery of the appeal to Plan Administrator. As part of the request, you (or your duly authorized representative) may submit written issues and comments and may review or request copies of pertinent documents (free of charge). The appeals committee's decision will be communicated in writing (or electronically if permissible under applicable law) within 60 days after your request has been received (or 120 days if special circumstances exist requiring more than 60 days and written notice of the extension is provided to you within the initial 60-day period). Again, the decision will include specific reasons, including references to pertinent Plan provisions. If your claim is denied on review, the notification will also include a statement of your right to review or request copies of pertinent documents (free of charge) and to file a suit in federal or state court due to the denial of the claim.

For a copy of the Plan's full claims and appeals procedures at no charge, please contact:

Stanford Health Care  
Human Resources – Benefits Department  
300 Pasteur Drive, MC 5513  
Stanford, CA 94305-5513

## Other Important Information

### Official Plan Documents Govern

This Booklet constitutes the Summary Plan Description (SPD) for the Plan. The SPD does not replace the official documents that legally govern the operation of the Plan. In any cases of conflict, the legal Plan documents will govern. Copies of the Plan documents can be obtained from SHC HR Operations. Written requests should be addressed to:

Stanford Health Care (SHC)  
300 Pasteur Drive, MC 5513  
Stanford, CA 94305-5513  
Attention: Chief Human Resources Officer

This SPD is not an employment contract.

### Discretion of the Plan Administrator

The Plan Administrator has the right and authority, in its discretion, to interpret and administer the Plan, and make final decisions regarding questions or disputes about eligibility for benefits including deciding facts and interpreting the Plan. Subject to a request for review of a denied claim, the Plan Administrator's decisions are final and binding.

### Amendment and Termination of the Plan

SHC reserves the right to amend, modify or terminate the Plan at any time in its sole discretion. The Plan may not be amended retroactively to take away any benefit belonging to you. You will be notified if any substantial changes are made to the Plan.

## Administrative Information

### Retirement Savings Plan

|  |   |
|--|---|
| <b>Official Plan Name</b>                  | Stanford Health Care<br>Retirement Savings Plan   |
| <b>Plan Administrator</b>                  | Stanford Health Care Retirement Committee<br>300 Pasteur Drive, Room MC 5513<br>Stanford, CA 94305-5513<br>Attention: Chief Human Resources Officer<br>650-723-4748   |
| <b>Plan Sponsor</b>                        | Stanford Health Care<br>300 Pasteur Drive, Room MC 5513<br>Stanford, CA 94305-5513<br>Attention: Chief Human Resources Officer<br>650-723-4748  |
| <b>Employer I.D. Number</b>                | 94-6174066  |
| <b>Plan Number</b>                         | 002   |
| <b>Type of Plan</b>                        | 403(b) defined contribution retirement plan   |
| <b>Agent for Services of Legal Process</b> | See Plan Administrator  |
| <b>Plan Year</b>                           | January 1 – December 31   |
| <b>Plan Recordkeepers</b>                  | Fidelity Investments – current<br><br>TIAA (formerly TIAA-CREF), Empower (formerly Prudential), Lincoln (formerly UNUM) – frozen  |
| <b>Funding Mediums</b>                     | The plan sponsor has entered into group annuity or custodial agreements with the investment companies holding the available investment funds. Certain plan assets are held in individual annuity contracts or custodial accounts.   |
| <b>Contribution Sources</b>                | <ul style="list-style-type: none"> <li>• Eligible employees direct the hospitals to reduce their taxable income and contribute that amount to the Plan.</li> <li>• Eligible employees may also contribute after-tax money.</li> <li>• The hospitals make a 5% non-elective contribution and/or matching contributions for eligible employees.</li> <li>• All contributions and investment earnings are held under the applicable annuity or custodial agreement.</li> </ul> |

|   |   |
|---|---|
| <b>Collective Bargaining Agreements</b> | The Plan is maintained in part pursuant to several collective bargaining agreements. Participants can obtain a copy of these agreements by sending a written request to the Plan Administrator. |
| <b>Normal Retirement Age</b>            | 65  |

## When You Have Questions

### STANFORD HEALTH CARE

| Address   | Telephone Number/Email/Web Site  |
|---|--|
| HR Operations*<br>300 Pasteur Drive, MC 5513<br>Stanford, CA 94305-5513 | Phone: <b>650-723-4748</b><br>Fax: <b>650-498-8812</b><br>Mon. – Fri., 9 a.m. – 4 p.m. (PT)<br><b><a href="http://www.healthysteps4u.org">www.healthysteps4u.org</a></b> |

\*including payroll inquiries

### LUCILE PACKARD CHILDREN'S HOSPITAL STANFORD

| Address   | Telephone Number/Email/Web Site  |
|---|--|
| HR Solutions<br>725 Welch Rd., MC 5861<br>Palo Alto, CA 94304 | Phone: <b>650-721-5400</b><br>Fax: <b>650-725-8206</b><br>Mon. – Fri., 8 a.m. – 4 p.m. (PT)<br><b><a href="http://www.healthysteps4u.org">www.healthysteps4u.org</a></b> |

|   |   |
|---|---|
| Payroll Department<br>725 Welch Rd., MC 5860<br>Palo Alto, CA 94304 | Phone: <b>855-345-5724</b><br>Mon. – Fri., 7 a.m. – 4 p.m. (PT) |
|---|---|

### RETIREMENT SAVINGS PLAN VENDORS

#### Fidelity Investments

|  |   |
|--|---|
| PO Box 770001<br>Cincinnati, OH 45277-0090 | <b><i>Customer Service Representative (24-hour automated telephone service):</i></b><br>800-343-0860<br><b><a href="http://netbenefits.com/shclpch">netbenefits.com/shclpch</a></b> |
|--|---|

#### LINCOLN FINANCIAL GROUP (1928, 092266-030, 092266-030, 095108-007)

|  |   |
|--|---|
| PO Box 2348<br>Fort Wayne, IN 46801-2348 | <b><i>Customer Service Representative (24-hour automated telephone service):</i></b><br>800-454-6265<br><b><a href="http://www.lfg.com">www.lfg.com</a></b> |
|--|---|

#### EMPOWER (Formerly Prudential) (GA 9512 AND GA 4854)

|                                   |   |
|-----------------------------------|---|
| PO Box 5340<br>Scranton, PA 18505 | <b><i>Customer Service Representative (24-hour automated telephone service):</i></b><br>800-932-0342<br><b><a href="http://www.prudential.com">www.prudential.com</a></b> |
|-----------------------------------|---|

| TIAA (101068)                          |   |
|--|---|
| 730 Third Avenue<br>New York, NY 10017 | <b><i>Customer Service Representative:</i></b><br>800-842-2776<br>Mon. – Fri., 5 a.m. – 7 p.m. (PT)<br>Saturdays 6 a.m. – 3 p.m. (PT)<br><b><i>www.tiaa.org</i></b><br><b><i>24 Hour Automated Telephone Service:</i></b><br>800-842-2252 |