KALEIDA HEALTH SAVINGS/INVESTMENT (401(k)) PLAN

SUMMARY PLAN DESCRIPTION

JANUARY 1, 2018

SUMMARY OF CONTENTS

SECTION 1 - INTRODUCTION

The Kaleida Health Savings/Investment (401(K)) Plan (the "Plan") is intended to provide you with a degree of financial security after your retirement. In some instances, the Plan also will provide benefits upon your death.

The purpose of this summary plan description is to describe eligible employees' benefits, rights and obligations under the Plan in simple terms.

The benefits and features of the Plan described in this summary plan description are those in effect as of January 1, 2018. The rights of any employee under the Plan are based on the Plan document in effect at the time of retirement or termination of employment. Accordingly, if you retired from or terminated employment with Kaleida before January 1, 2018, your rights and benefits may not be as described in this document.

Understand Your Benefits

You are responsible for decisions affecting your participation in the Plan. If you fail to learn about the benefits offered by the Plan, or if you fail to follow the Plan's rules for obtaining benefits, you could miss out on benefits that could be of great value to you and your family, or make employment or retirement decisions based on an erroneous understanding about your benefits. For this reason, we strongly encourage you to study this summary plan description, any modifications to this summary, and all other Plan notices that you receive.

Notify the Plan Administrator of any Change in Your Address or Marital Status

It is critically important for you to keep your employer and the Plan Administrator apprised of any change in your name, address, marital status, and any change in the name and address of your beneficiaries. Important benefits information may be mailed to the address in the Plan Administrator's records. This information may include important changes in benefits, and important notices apprising you of your rights and responsibilities under the Plan. This information also may include passwords and other personal information that, if known to another person, might enable unauthorized access to personal and benefits information.

Resolve All Disputes Using the Plan's Dispute Procedure

All disputes concerning the Plan must be resolved in accordance with the Plan's claims procedure, which is described in Section 10. Any person claiming entitlement to coverage or benefits or any other kind of relief will be barred from maintaining a legal action until the Plan's claims procedure is exhausted. **Failure to exhaust the Plan's claims procedure may result in a permanent loss of benefits.**

The Official Plan Documents Control

The complete terms of the Plan are set forth in the official Plan documents, and not this summary. The official Plan documents consist of the adoption agreement, volume submitter base plan document, and trust agreement. The official Plan documents are complex legal documents, and all of the terms cannot be described in detail in this summary plan description. If there is any inconsistency between this summary and the official plan documents, the official plan documents will be the controlling legal documents. If you have any questions about the operation of the Plan or your entitlement to benefits after you have read this summary, please feel free to contact the Plan Administrator.

Do Not Rely on Oral Statements Regarding Your Benefits

Your rights and benefits under the Plan are governed by the official plan documents, and the terms of applicable collective bargaining agreements. If you have any question about your rights under the Plan, you must read these documents. **You are not entitled to rely on oral statements concerning your benefits. Oral statements regardless of source cannot alter the terms of the Plan, or create benefits that are not provided under the terms of the Plan.** If you have an important question regarding a Plan benefit, you should submit your question, in writing, to the Plan Administrator.

Keep Your Beneficiary Designation Current

It is critically important for you to designate a Beneficiary of your Plan account and to keep your Beneficiary designation current. Family status changes (e.g., marriage or divorce) may impact your Beneficiary designation.

Plan Changes, Plan Termination and the Expiration of Collective Bargaining Agreements

While Kaleida Health ("Kaleida") has every intention to continue the Plan indefinitely, Kaleida reserves the right to amend or terminate the Plan at any time and for any reason, subject only to any clear and express limitations explicitly set forth in any applicable collective bargaining agreement. If your employment is subject to the terms of a collective bargaining agreement, your employer makes no promise to continue benefits beyond the expiration of the collective bargaining agreement that establishes your entitlement to those benefits. However, no amendment or termination shall retroactively reduce vested benefits that a Participant is entitled to receive as of the date of amendment or termination.

Plan Administrator's Discretionary Powers

The Plan Administrator has the authority to interpret and construe the Plan to the fullest extent possible under the law in regard to all questions under the Plan, including, but not limited to, questions of eligibility; the status and rights of any participant under the Plan; and the manner, time, and amount of payment of Plan benefits. The Plan Administrator's discretionary authority includes the ability to decide questions of Plan interpretation and those of fact relating to the Plan. The decisions of the Plan Administrator as to the facts related to any claim for benefits and the meaning and intent of any provision of the Plan, or its application to any claim, are final and binding on all interested parties.

Potential Loss of Benefits

The Plan is intended to provide you with a valuable retirement benefit. However, some individuals may not qualify for a benefit and others may lose a benefit even if they once qualified. Circumstances resulting in a denial or loss of benefits are discussed more fully elsewhere in this summary plan description. You should be aware that the following are some, but not all, of the possible reasons you may not receive part or all of a benefit:

- If you do not meet the requirements for eligibility to participate, you will not be entitled to any benefits.
- If the Plan is determined by the Internal Revenue Service not to satisfy the tax qualification requirements for a 401(k) plan, contributions made to the Plan may result in current taxable income to you in the year of the disqualification.
- In some circumstances the Internal Revenue Service may levy upon, or place a lien on, your plan benefits to secure payment of federal taxes you are alleged to owe.

403(b) Plan

"403(b) Plan" is a reference to the Kaleida Health Savings/Investment 403(b) Plan.

Agent for Service of Legal Process

The name and address of the Plan's agent for service of legal process are:

Kaleida Health Corporate Office
100 High Street
Buffalo NY 14203

(716) 859-5600

Service of process may also be made upon the Plan Administrator and the Trustee.

Beneficiary

A "Beneficiary" is an individual, institution, trustee, or estate designated by a Participant to receive any benefits payable under the Plan in the event of the Participant's death.

Break in Service

A "Break in Service" is any Plan Year in which an Employee receives credit for less than 501 Hours of Service.

Committee

The "Committee" is a reference to the Kaleida Health Retirement Plan Committee.

Compensation

"Compensation" for any period is a reference to the total amount paid or made available by a Participating Employer to a Participant during the Plan Year required to be reported on Form W-2 in the box for "wages, tips, other compensation" (including Differential Pay) plus any before-tax contributions made by an Employee to a 403(b) plan, cafeteria plan, qualified transportation fringe benefit plan, or 401(k) plan pursuant to a salary reduction agreement. Compensation does not include: forgiven loans and related interest reportable on Form W-2; wages earned for excused time; reimbursements or stipends for moving expenses; imputed income in relation to group term life insurance; severance payments, no matter how or when paid; or cash outs of paid time off upon Severance From Employment. Compensation also does not include any amount contributed by or on behalf of a Participant to a 457(b) plan that is not includable in gross income under Code section 457(b). The Compensation of each Participant taken into account under the Plan for any Plan Year may not exceed a dollar limitation prescribed by the Internal Revenue Code for that Plan Year. The limit is adjusted each year and is communicated as part of the Plan's enrollment information.

Differential Pay

"Differential Pay" is compensation paid by a Participating Employer to an individual with respect to any period during which the individual is performing services in the uniformed services while on active duty for a period of more than 30 days, which represents all or a portion of the wages the individual would have received from the Participating Employer if the individual were performing service for the Participating Employer.

Elective Deferral

The term "Elective Deferral" is an amount contributed to a plan (including this Plan) by an employer at the Employee's election and which, except to the extent they are designated Roth contributions, are excludable from the employee's gross income. Elective Deferrals include deferrals under a 401(k), 403(b), and SIMPLE IRA plan.

Eligible Employee

"Eligible Employee" means any Employee of a Participating Employer with the exceptions specified below by contribution type:

The following Employees are **excluded from all contributions** under the Plan:

- Any Employee who is included in a unit of Employees covered by a collective bargaining agreement between a Participating Employer and employee representatives if retirement benefits were the subject of good faith bargaining and the terms of the collective bargaining agreement do not provide for participation in this Plan;
- Any Employee who is not on the W-2 payroll of a Participating Employer (e.g., individuals classified as independent contractors);
- Any Employee who has signed an employment agreement, independent contractor agreement, or any personal services contract with a Participating Employer stating that he or she is not eligible to participate in the Plan;
- Leased employees;
- Nonresident aliens with no U.S. earned income; and
- Employees who are currently eligible for participation under another 401(k) plan of a Participating Employer.

The following Employees are **excluded from Elective Deferrals** under the Plan:

- Employees who are currently eligible to make Elective Deferrals under the Kaleida Health Savings/Investment 403(b) Plan.

The following Employees are **excluded from Matching Contributions** under the Plan:

- Employees of Visiting Nursing Association of Western New York who are covered under a collective bargaining agreement that provides for an employer non-elective profit-sharing contribution to this Plan;
- Employees of Children's Health Home of WNY, Inc.;
- Plan participants who are members of the following job-based classifications: full-time faculty of the Medical or Dental Schools of the State University of New York at Buffalo who are Medical Doctors, Doctors of Osteopathy, Doctors of Dental Science, Doctors of Dental Medicine, Doctors of Podiatric Medicine, and Doctors of Philosophy, and who receive compensation of less than $50,000 for the Plan Year ($30,000 for Doctors of Philosophy).

Employee

The term "Employee" is a reference to an individual who is a common law employee of a Participating Employer, including any individual receiving Differential Pay from a Participating Employer.

Forfeiture Break in Service

A "Forfeiture Break in Service" occurs when a Participant who has a Severance From Employment has 5 consecutive Breaks in Service.

Hour of Service

Employees are entitled to credit for "Hours of Service" in accordance with the following rules:

- One Hour of Service for each hour for which an Employee is paid, or entitled to be paid, by a Participating Employer for the performance of duties.
- One Hour of Service for each hour for which an Employee is paid, or entitled to be paid, by a Participating Employer for reasons other than the performance of duties including vacation, holiday, illness, disability, jury duty, military duty, or leave of absence. An Employee will not be entitled to more than 501 hours in a single continuous period. In addition, no Hours of Service will be credited under this provision if payment is made or due to the Employee under a plan maintained solely for the purpose of complying with applicable workers compensation, unemployment compensation or disability insurance laws, or if the payment solely reimburses the Employee for medical or medically-related expenses incurred by the Employee.
- One Hour of Service for each hour for which an Employee receives back pay if the Employee is not otherwise entitled to receive credit for those hours. No Hours of Service will be credited under this provision if payment is made or due to the Employee under a plan maintained solely for the purpose of complying with applicable workers compensation, unemployment compensation or disability

insurance laws, or if the payment solely reimburses the Employee for medical or medically-related expenses incurred by the Employee.

Kaleida Affiliate

The term "Kaleida Affiliate" is a reference to an employer that is affiliated with Kaleida Health principally on the basis of common ownership or control. A list of Kaleida Affiliates is available from the Plan Administrator upon written request.

Matching Contributions

"Matching Contributions" are employer contributions to a Qualified Participant that are contingent upon Elective Deferrals.

Participant

The term "Participant" (referred to as "you" and "your" as the context requires) is a reference to an Eligible Employee who is enrolled in the Plan in accordance with the procedures adopted by the Plan Administrator.

Participating Employer

"Participating Employer" is a reference to each Kaleida Affiliate that adopts the Plan with the consent of the Plan Sponsor. A list of Participating Employers is maintained by the Plan Administrator. A Participant or Beneficiary may obtain and examine, on written request to the Plan Administrator, a complete list of Participating Employers. Alternatively, a Participant or Beneficiary may receive information on written request to the Plan Administrator about whether a particular employer is a Participating Employer, and if so, the Participating Employer's address.

Plan Administrator

The Kaleida Health Retirement Plan Committee is the "Plan Administrator." The Plan Administrator is responsible for the management and administration of the Plan except for those functions that it delegates, in writing, to others.

Kaleida Health Retirement Plan Committee
726 Exchange Street, Suite 220
Buffalo NY 14210

Phone: (716) 859-8605

As Plan Administrator, Kaleida Health files benefit plan reports with the federal government under Employer Identification Number 16-1533232. The Plan Number assigned to the Plan is 021.

Plan Sponsor

Kaleida Health is the "Plan Sponsor." The address and telephone number of Kaleida are:

Kaleida Health
726 Exchange Street, Suite 220
Buffalo NY 14210

(716) 859-8000

Plan Type

The Plan is a defined contribution retirement plan. This means that the amount of your benefit depends upon your Elective Deferrals, any employer contributions to the Plan, and earnings or losses upon such contributions and Elective Deferrals.

Plan Year

The "Plan Year" is the 12-consecutive month period ending December 31st of each year.

Qualified Participant

A "Qualified Participant" means, for any Plan Year, (a) a Participant who is not classified as a per-diem employee or temporary employee who completes an Hour of Service during the Plan Year; or (b) a Participant who is classified as a per-diem employee or temporary employee who completes at least 936 Hours of Service during the Plan Year. The classification of the Participant on the first day of any Plan Year shall determine the Hours of Service that such Participant must complete during the Plan Year to be considered a Qualified Participant. The term "Qualified Participant" does not include a Participant during a period he or she is employed by Visiting Nursing Association of Western New York and covered under a collective bargaining agreement that provides for a non-elective employer contribution under the Plan.

Severance From Employment

An Employee has a "Severance From Employment" when s/he ceases to be an Eligible Employee of Kaleida or a Participating Employer. A layoff with a right to recall is not a Severance From Employment. An Employee who does not return to work following the expiration of an authorized leave of absence will be considered to have a Severance From Employment on the date the approved leave period ends. Employees performing military service while on active duty for more than 30 days will be considered to have a Severance From Employment during any period the Employee is performing service in the uniformed services.

Spouse

Your "Spouse" is the person to whom you are legally married under applicable state law. In all cases, the Plan Administrator will determine if a person is your Spouse by referring to (and interpreting, in its discretion, as needed) applicable law.

Total and Permanent Disability

"Total and Permanent Disability" means a mental or physical condition that renders a Participant incapable of continuing any gainful occupation and for which the Participant has been determined to be totally disabled under the federal Social Security Act.

Trustee

Lincoln Financial is the custodian and "Trustee" of all Plan contributions and related earnings.

Lincoln Financial Group Trust Company
One Granite Place
Concord, NH 03301

(800) 234-3500
www.lincolnfinancial.com

Year of Vesting Service

A "Year of Vesting Service" is a Plan Year in which an Employee has performed at least 936 Hours of Service. For periods before January 1, 2000, Employees will be credited with a Year of Vesting Service for each calendar year from date of hire until December 31, 1999.

SECTION 4 - ELIGIBILITY AND PARTICIPATION

Eligible Employees

To become a Participant in the Plan, you must be an Eligible Employee. If your employment is subject to the terms of a collective bargaining agreement, your right to participate is determined by (and subject to the terms of) the collective bargaining agreement.

Effective Date of Participation

If you are an Eligible Employee, you will become a Participant in the Plan on the date you become an Eligible Employee provided you satisfy all applicable enrollment requirements. Once you become a Participant, you should designate a Beneficiary to receive any benefits which would become payable upon your death.

Participation Rights of Reemployed Employees

If you were eligible to participate in the Plan when you had a Severance From Employment, and are later reemployed by a Participating Employer, you will be eligible to participate in the Plan immediately upon your reemployment (if you are then an Eligible Employee) or, if later, the date you become an Eligible Employee.

Termination of Eligibility and Participation

Once you become a Participant, you will remain a Participant until the earlier of: (1) the date your entire account is distributed; or (2) the date of your death. If you cease to be an Eligible Employee, your right to participate immediately ends.

SECTION 5 - CONTRIBUTIONS TO THE PLAN

Elective Deferrals

Eligibility

You must be an Eligible Employee with respect to Elective Deferrals under the Plan.

Contribution Limits

You may authorize your employer to withhold between 1% and 99% of your Compensation for a payroll period for deposit into the Plan (subject to the limits described in the next paragraph). Section 2 defines the Compensation that is used to determine your Elective Deferrals. Your Elective Deferrals for a calendar year (which corresponds with the Plan Year) may not exceed the IRS limit in effect for that year ($18,500 for 2018). If you will be at least 50 years of age during the Plan Year, you may elect to make an additional "catch-up" contribution ($6,000 for 2018). After 2018, the dollar limits may increase for cost of living adjustments.

Important

The calendar year dollar limits described above apply to all Elective Deferrals you make under the Plan and any other cash or deferred arrangement. If you have made Elective Deferrals to this Plan and one or more other plans in excess of the contribution limits, you must decide which plan should return the excess. If you decide that the excess should be distributed from this Plan, you must request the distribution in writing no later than March 1 following the close of the calendar year in which the excess deferrals were made. If the entire dollar limit is exceeded in this Plan, then the Plan Administrator will automatically return the excess deferrals and any earnings to you by April 15 following the calendar year in which the excess deferrals were made.

- Elective Deferral Changes

You may start, discontinue or change your election in accordance with rules established by the Plan Administrator.

Matching Contributions

Eligibility

You must be an Eligible Employee with respect to Matching Contributions under the Plan.

Matching Contributions

If you are eligible to participate in the 403(b) Plan, and are otherwise eligible to participate in this Plan, you may be entitled to a Matching Contribution under this Plan based on your Elective Deferrals under the 403(b) Plan. If you are not an Eligible Employee under the 403(b) Plan, you must meet the definition of "Qualified Participant" to be eligible for a Matching Contribution.

Except as otherwise provided under the terms of an applicable collective bargaining agreement, your Matching Contribution will be 50 cents for each dollar you contribute to the Plan or the 403(b) Plan (i.e., 50% of your Elective Deferrals) up to 4% of your Compensation for the Plan Year. This means that Elective Deferrals for a Plan Year that exceed 4% of your Compensation for the Plan Year are not matched, and that the maximum Matching Contribution for the Plan Year is 2% of your Compensation for the Plan Year.

Employees under certain collective bargaining agreements receive Matching Contributions of 50 cents for each dollar contributed to the Plan or the 403(b) Plan (i.e., 50% of your Elective Deferrals) up to 2% of the Participant's Compensation for the Plan Year, and another 25 cents for each dollar contributed to the Plan or the 403(b) Plan up to 2% of Compensation. This means that Elective Deferrals for a Plan Year that exceed 4% of Compensation for the Plan Year are not matched, and that the maximum Matching Contribution for the Plan Year is 1.5% of Compensation for the Plan Year.

Rollover Contributions

If you are an Eligible Employee and are entitled to receive a distribution from another qualified plan, the Plan will accept an eligible rollover distribution provided the rollover is made (a) directly from another qualified plan; or (b) by you within 60 days of your receipt of the eligible rollover distribution. The Plan Administrator may request such additional information as it deems necessary to ensure that the proposed rollover complies with applicable law. If the requested information in not furnished, the rollover will not be permitted.

Military Service

If you are absent from work due to certain types of qualifying military service and you return to work within the timeframe required by law, you may be entitled to make additional Elective Deferrals to make up for your time away, and to receive employer contributions you would have received otherwise. Please contact the Plan Administrator if you will be leaving for military service or have just returned. The Plan Administrator can assist you in determining your rights.

Contributions during a Leave of Absence

During a paid leave of absence you may choose to continue to make Elective Deferrals and receive Matching Contributions on the basis of the Compensation being paid to you, to the extent you are an Eligible Employee with respect to such contributions. During an unpaid leave of absence, all Plan contributions will end.

SECTION 6 - PLAN ACCOUNTS AND INVESTMENTS

Your Plan Account

The Plan Administrator, with the assistance of a third party recordkeeper, maintains a separate account for each Participant, which may include one or more of the following accounts (as applicable):

- Elective Deferral Account. This account separately tracks the value of the Participant's account attributable to his or her Elective Deferrals.
- Matching Contribution Account. This account separately tracks the value of the Participant's account attributable to his or her Matching Contributions.
- Money Purchase Pension Plan Account. This account separately tracks the value of the Participant's account and subaccounts attributable to amounts transferred to this Plan from any money purchase pension plans.
- Discretionary Contribution Account. This account separately tracks the value of the Participant's account and subaccounts attributable to amounts transferred to this Plan from any profit sharing plans.
- Rollover Account. This account separately tracks the value of the Participant's account attributable to rollover contributions.
- Merged and Transferred Asset Accounts. In addition to the Money Purchase Pension and Discretionary Contribution accounts described above, this account separately tracks the value of the Participant's accounts and subaccounts attributable to amounts transferred to or merged into this Plan from one or more plans previously maintained for such Participants. The official Plan documents identify merged plans and transferred plan assets. If you have questions about whether any of your Plan accounts are attributable to merged plans or transferred plan assets, please contact the Plan Administrator.
- CMC Profit Sharing Account. This account separately tracks the value of the Participant's account attributable to profit sharing contributions based on employment with Community Medical Center P.C. and made under the terms of this Plan as in effect prior to the 2008 restatement.
- SEIU Contribution Account. This account separately tracks the value of the Participant's account attributable to amounts contributed on behalf of eligible SEIU employees for 2009 and 2010.

The aggregate value of the Participant accounts as of any valuation date represents the value of the Participant's benefit under the Plan.

You Direct the Investment of your Accounts

You decide how Plan contributions are invested among the choices available to you under the Plan. The Plan has established Participant direction procedures setting forth

investment choices available to you, the frequency with which you can change your investment choices, and instructions on how you can obtain other important information on directed investments. These procedures are furnished automatically and on request.

Important

Please be sure to check your account periodically to be sure your investment instructions have been properly implemented; if there is any mistake in the implementation of your instructions, please call the Plan Administrator immediately.

If you do not provide affirmative investment elections, any contributions made to the Plan on your behalf are invested in the Plan's designated default investment alternative. Any Participant who may have contributions invested in the default investment alternative will be provided with a notice and information by the Plan Administrator. Each affected Participant may make an election to change his or her investment.

For additional information regarding the investment options available under the Plan, please review the ERISA 404a-5 disclosure maintained by the Plan. The ERISA 404a-5 disclosure also provides information on administrative and individual expenses that may be charged against Participant and Beneficiary accounts. You may obtain a copy of the ERISA 404a-5 disclosure by submitting a written request to the Plan Administrator.

Please note that, while the Plan Administrator is responsible for providing you with information concerning the plan investment choices, your investment decisions are yours alone to make. The Plan Administrator and Trustees, while available to assist you in gathering all of the information you and your financial advisors may require to make informed investment decisions, are not responsible for providing, and are not authorized to provide, investment advice tailored to your specific circumstances. If you are not comfortable making your own investment decisions based on the information provided to you, you should consult your own financial advisor.

- Plan Expenses

Expenses that are related to the administration of the Plan, including but not limited to auditing fees, administrative and legal fees, recordkeeping fees, participant communication expenses and expenses relating to the management of the Plan's investments, are paid by the Plan unless they are paid by your employer. Certain expenses that are directly related to a Participant's benefit under this Plan will be charged to the Participant's account. The Plan's ERISA 404a-5 disclosure details the individual charges that apply when certain specific features of the Plan are used (e.g., Participant loans).

SECTION 7 - VESTING AND FORFEITURES

When your Accounts become Vested

Elective Deferral Account

You are always 100% vested in your Elective Deferral Account.

Matching Contribution Account

As a general rule, your Matching Contribution Account becomes vested when you have completed 3 Years of Vesting Service.

You will 100% vest earlier under the following circumstances:

- Your Total and Permanent Disability prior to your Severance From Employment.
- Your attainment of age 65 prior to your Severance From Employment; or
- Your death prior to your Severance From Employment with a Participating Employer.

Forfeitures upon Severance from Employment

Your Vested Account Balance Does Not Exceed $5,000

If the vested portion of your account does not exceed $5,000 as of the date you have a Severance From Employment, the unvested portion of your account will be forfeited when you receive a distribution of your vested account balance.

If you are reemployed, the amount that was forfeited will be restored to your account if you repay the entire amount that was previously distributed to you within 5 years after the date on which you are reemployed or, if earlier, the last day of the Plan Year in which you incur a Forfeiture Break in Service.

You will not lose the Years of Vesting Service you had earned before your Severance From Employment even if you are reemployed after experiencing a Forfeiture Break in Service.

Your Vested Account Balance Exceeds $5,000

If the vested portion of your account exceeds $5,000 as of the date you have a Severance From Employment, the unvested portion of your account will be forfeited as of the close of the Plan Year in which you incur a Forfeiture Break in Service.

For purposes of determining the value of your account, the value of your Rollover Account is disregarded.

SECTION 8 - DISTRIBUTIONS AND LOANS

Distribution Application

Except as otherwise provided in the Plan or applicable law, you will not be entitled to a distribution under this Plan unless and until you file a complete and timely application for distribution in a form acceptable to the Plan Administrator.

Distributions before a Severance from Employment

As a general rule, you may not elect to withdraw any portion of your account until you have a Severance From Employment, including your retirement from active service of a Participating Employer at or after age 65.

Prior to your Severance From Employment, you may elect a distribution at the following times:

- Upon a "Hardship" as defined by the Plan;
- At any time from your Rollover Account;
- Upon attainment of age 59½; and
- If you have a Total and Permanent Disability.

Important

Before Severance From Employment, a Participant may not receive a distribution from his or her Money Purchase Pension Plan Account, Discretionary Contribution Account, or CMC Profit Sharing Account, or certain Merged or Transferred Accounts, until the date he or she attains age 65 and retires from the active service of a Participating Employer. If you have questions about whether any of your Plan accounts are subject to such restrictions, please contact the Plan Administrator.

HARDSHIP WITHDRAWALS

If you have an immediate and heavy financial need, you may apply to the Plan Administrator for a hardship withdrawal of all or a portion of your account balance attributable only to Elective Deferrals (excluding earnings) and Matching Contributions (including earnings).

A hardship withdrawal may only be made for the following reasons: to pay medical expenses; to purchase a principal residence; to pay tuition for post-secondary education (for you, your spouse or your dependent); to prevent eviction from, or foreclosure of, your residence; to pay burial or funeral expenses for your parent, spouse or dependents; or to repair damage to your principal residence that qualify as casualty deductions.

In addition, the amount of the hardship distribution cannot exceed the amount of the hardship need (including income taxes that will be due on the distribution), you must have received all distributions (other than hardship distributions) and loans available from plans

maintained by Participating Employers, and you cannot make any Elective Deferrals for the 6-month period following receipt of the distribution.

A Participant's immediate and heavy financial need for education expenses, funeral expenses and certain medical expenses includes an immediate and heavy financial need of the Participant's primary Beneficiary under the Plan that would constitute a hardship event if it occurred with respect to the Participant's Spouse or dependent.

When your Employment Ends

You have the right to elect a distribution of your account upon your Severance From Employment.

Once you have a Severance From Employment, your distribution rights depend on the value of your account at the time your employment ends and your age at that time. For this purpose, the value of your account is determined as of the date of your Severance From Employment. **Your Rollover Account is excluded in determining whether the value of your account exceeds $5,000.**

Your Vested Account Does Not Exceed $5,000

- *If the value of your vested account does not exceed $5,000* as of the date of your Severance From Employment, your benefit automatically will be paid in a single sum payment in cash. You will be provided an opportunity to choose to have the benefit paid to you or rolled over into an IRA or another eligible qualified plan.

- *If the value of your vested account is $1,000 or less* as of the date of your Severance From Employment, and you fail to make a distribution election, you will receive a taxable lump sum distribution of the value of your account (less required income tax withholding).

- *If the value of your vested account is more than $1,000* as of the date of your Severance From Employment, and, after receiving all required notices, you do not affirmatively elect a distribution, the balance of your account will be automatically rolled over by the Plan to an IRA as soon as practicable after your Severance From Employment. Your IRA account will be automatically invested in a type of investment designed to preserve principal and provide a reasonable rate of return and liquidity (e.g., an interest-bearing account, a certificate of deposit or a money market fund). You will be responsible for paying all fees and expenses assessed against your automatic rollover IRA.

Your Vested Account Exceeds $5,000

If You Have a Severance From Employment Before Age 70 ½

If your employment terminates before you attain age 70½, you may elect:

- To receive your benefit in a single lump sum payment, or in periodic installments over a period not greater than or equal to your life expectancy determined as of the starting date of your distribution; or

- To postpone distribution to a future date, which may not be later than April 1st following the year in which you attain age 70½.

If you fail to make an election, you will be deemed to have postponed the payment of your account.

If You Have a Severance From Employment On or After Age 70 ½

If the value of your vested account exceeds $5,000, and you have a Severance From Employment on or after the date you attain age 70½, you may not postpone the payment of your account, and your account will be paid to you no later than the following April 1st.

If you do not make an election at this time, your account will be paid in the form of a single lump sum payment.

Payment Options for Certain Merged and Transferred Plans

Special rules may apply to that portion of your benefit that is attributable to money purchase pensions, merged plans or transferred plan assets, including the following:

Annuity Distribution. If you are married on the date your benefits are to begin, you will automatically receive a joint and 50% survivor annuity, unless you elect an alternative form of payment. This means that you will receive payments for your life, and after your death, your surviving spouse will receive a monthly benefit for the remainder of his or her life equal to 50% of the benefit you were receiving at the time of your death. You may elect a joint and 75%, 66 2/3% or 100% survivor annuity instead of the standard joint and 50% survivor annuity, or you may elect a life annuity, installments or a lump sum form of distribution. You should consult a financial or tax advisor before making such election.

If you are not married on the date your benefits are to begin, you will automatically receive a life annuity, unless you elect an alternative form of payment. This means you will receive payments for as long as you live. However, if your vested account balance does not exceed $5,000, then your vested account balance may only be distributed to you in a single lump-sum payment. In determining whether your vested account balance exceeds the $5,000 threshold, rollover contributions (and any earnings allocable to rollover contributions) will not be taken into account.

Consent requirements. If your vested account balance in the Plan exceeds $5,000, you must consent to any distribution before it may be made, unless you are required to commence a distribution on or after attaining age 70 ½. In addition, if your vested account balance exceeds $5,000 and you want the distribution to be in a form other than an annuity, you (and your spouse, if you are married) must first waive the annuity form of payment. In determining whether your vested account balance exceeds these dollar threshold(s), rollover contributions (and any earnings allocable to rollover contributions) will not be taken into account.

Loans to Participants

As a general rule, you may borrow up to 50% of your vested account, but not more than $50,000. The terms and conditions of the Plan's loan policy are described in a separate document that is available from the Plan Administrator upon written request.

Important

If you default on your loan, your unpaid balance may be deducted from your remaining account balance upon distribution of your benefits. The default amount is considered a distribution and will be subject to withholding and, if applicable, additional penalty taxes.

Distributions Due to Qualified Military Service

If you are a Participant on a qualified military leave for at least 30 days, you will be eligible to receive distributions of your Elective Deferrals on account of Severance From Employment while you are on leave. Your ability to make Elective Deferrals will be suspended for 6 months following the distribution, unless you are eligible to take a distribution on account of another Plan provision. You must make a new Elective Deferral election at the end of the 6-month suspension period.

Additionally, if you are a Participant and a member of a reserve component ordered or called to active duty after September 11, 2001, you may be eligible to take a Qualified Reservist Distribution of your Elective Deferral account. You must be in military service for a period of more than 179 days or for an indefinite period. This distribution is made during the period beginning on the date you are ordered or called to active duty and ends at the close of your active duty period.

SECTION 9 - DEATH BENEFITS AND BENEFICIARY DESIGNATIONS

Death Benefits

If your death occurs before you submit a completed election to receive (or commence) payment of your retirement benefit, your vested interest in the Plan will be distributed to your designated Beneficiary in a single lump sum payment in cash as soon as administratively feasible. If your death occurs after you submit a completed election, payment to your Beneficiary will be made in the form elected in your distribution election (e.g., lump sum or installments).

Your Beneficiary Designation

You have the right to designate a Beneficiary (and contingent Beneficiary) to receive payment of your account in the event of your death. It is important to periodically review your Beneficiary designation and to make changes that may be necessary or desirable as your personal status changes.

Your Beneficiary designation will not be effective for any purpose, unless your designation is filed in accordance with the procedures established by the Plan Administrator, and is actually received by the Plan Administrator or his or her authorized agent for this purpose. The Plan Administrator reserves the right to reject, prospectively or on a retroactive basis, any designation that is not in a form acceptable to the Plan Administrator.

Important

- When you file a new, valid designation, your new designation effectively revokes all designations filed prior to that date.

- If there is no valid designation in effect when you die, your death benefit will be paid to your Spouse if you are lawfully married as of the date of your death, or to your estate if you have no surviving spouse.

Important

Take careful note of the following rules:

- **If you are married**, you cannot designate someone other than your Spouse (e.g., your children, parents, grandparents, etc.) as your primary Beneficiary for any portion of your account, unless your Spouse consents to your non-spouse designation in writing in the manner required by law and in accordance with the procedures established by the Plan Administrator.

- **If you are married at the time of your death**, your Spouse will be the Beneficiary of the entire death benefit unless you have designated someone other than your Spouse as your Beneficiary with your Spouse's consent and in the manner prescribed by law. Your Spouse's consent must be in writing, be witnessed by a notary public or plan representative and acknowledge the specific non-spouse Beneficiary.

If you have validly designated someone other than your Spouse as your primary Beneficiary (with your Spouse's valid consent), and you wish to change your non-spouse designation, your Spouse must consent to the change.

You may elect a Beneficiary other than your Spouse without your Spouse's consent if your Spouse cannot be located.

- **If you are not married** when you file your Beneficiary designation, and you later get married, your account will be paid to your surviving Spouse upon your death and not to the person or persons you designated when you were not married (e.g., your children, grandchildren, parents, etc.) unless, prior to your death, your Spouse consented to your non-spouse designation, in writing, in the manner required by law and in accordance with the procedures established by the Plan Administrator.

Payment Options for Certain Merged and Transferred Plans

Special rules may apply to that portion of your death benefit that is attributable to a money purchase pension, merged plans or transferred plan assets, including the following:

If you are married at the time of your death, the death benefit attributable to this portion of your account will be paid in the form of an annuity (i.e., periodic monthly payments over the life of your Spouse).

Waiver of annuity. You (and your spouse if you are married) may waive the annuity form of distribution. Generally, the period during which you and your spouse may waive the annuity begins as of the first day of the Plan Year in which you reach age 35 and ends when you die. The Administrator must provide you with a detailed explanation of the annuity. This explanation must generally be given to you during the period of time beginning on the first day of the Plan Year in which you will reach age 32 and ending on the first day of the Plan Year in which you reach age 35. It is important that you inform the Administrator when you reach age 32 so that you may receive this information. Under a special rule, you and your spouse may waive the survivor annuity form of payment any time before you turn age 35. However, any waiver will become invalid at the beginning of the Plan Year in which you turn age 35, and you and your spouse will be required to make another waiver.

SECTION 10 - CLAIMS PROCEDURE

The Claims Procedure is Mandatory

If a former or current Employee, Participant, Beneficiary or any other individual, person or entity (the "Claimant") believes the Plan is denying the Claimant any rights or benefits to which the Claimant is entitled under the Plan terms or applicable law (including any rights or benefits relating to any alleged matter described in the next paragraph), the Claimant must file a claim with the Plan Administrator. A Claimant must fully exhaust the procedure outlined in this Section 9 before s/he may file a lawsuit or action in any court or tribunal.

The procedure outlined in this Section applies to any claim that implicates, in whole or in part, disputes involving any of the following matters (each and collectively, a "Claim"):

- An interpretation of the Plan, or any term or condition of the Plan, including any interpretation in light of applicable law;
- Whether the Plan, or any term or condition of the Plan, has been validly adopted or put into effect;
- The administration of the Plan;
- Whether the Plan has been operated in a manner that is inconsistent with, or that otherwise violates any terms, conditions or requirements of the Plan documents;
- Whether the Plan has been operated in a manner that is inconsistent with, or that otherwise violates any terms, conditions or requirements of ERISA or other applicable law, regardless of whether such terms, conditions or requirements are, in whole or in part, incorporated into the terms, conditions or requirements of the Plan; or
- Any other dispute, issue or matter that the Plan Administrator deems to be similar to any of the foregoing matters, or relates to the Plan in any way.

A Claim implicating one or more of the matters above must be submitted in the first instance to the Plan Administrator and must fully exhaust the claims procedure outlined in this Section. Upon review by any court or other tribunal, this exhaustion requirement is intended to be interpreted to require exhaustion in as many circumstances as possible. The Plan Administrator may make special arrangements to consider a Claim on a class basis or to address unusual conflicts concerns.

In any subsequent action or consideration of a Claim, in court or another tribunal, the subsequent action or consideration will be limited, to the record that was before Plan Administrator in the original claim brought by the Claimant under this procedure. Furthermore, all explicit and implicit determinations by the Plan Administrator (including, but not limited to, determinations as to whether the Claim, or a request to review a denied Claim, was timely filed) will be afforded the maximum deference afforded by law.

Exhaustion of Administrative Remedies

As noted above, the exhaustion of the claims procedures is mandatory for resolving every claim and dispute arising under this Plan. As to any such claims and disputes, no claimant is permitted to commence any legal action to recover Plan benefits or to enforce or clarify rights under the Plan or applicable federal or state law, whether or not statutory, until the claims procedures set forth in this Section have been exhausted in their entirety.

Administrative Claim Deadline

Any Claim filed under the procedures set forth in this Section must be filed within 1 year after the earliest of the following dates: (a) the date the Claimant receives the determination or calculation of the benefits that are the subject of the Claim or legal action; (b) the date identified to the Claimant by the Plan Administrator on which payments are to commence; or (c) the date the Claimant knows or reasonably should have known of the principal facts that are the basis of his/her Claim.

Failure to file a Claim within this 1-year time frame precludes a Claimant, or any representative of the Claimant, from filing the Claim or cause of action. Correspondence or other communications following the Plan's mandatory appeals process will have no effect on this one-year time frame. Despite the 1-year time frame for filing Claims, if a Claim is related to an error reflected on a Plan statement prepared by the Plan's recordkeeper, the Claim must be filed within 120 days of the date of the statement that contains the error.

Important

Failure to file a Claim within this 1-year time frame precludes a Claimant, or any representative of the Claimant, form filing the Claim or other cause of action. Correspondence or other communications following the Plan's mandatory appeals process will have no effect on this 1-year time frame.

Deadline to File Action

No legal action that relates to a Claim may be brought by any Claimant unless the legal action is commenced in the proper forum within 6 months after the Claimant has exhausted the Claims procedure outlined in this Section. Furthermore, if a court of competent jurisdiction determines that a Claim does not require exhaustion under this procedure, a legal action cannot be maintained unless it is commenced in a court of competent jurisdiction within 2 years after the Claimant knew or reasonably should have known of the principal facts of which the Claim is based. Knowledge of all the facts that the Participant knew or reasonably should have known shall be imputed to every claimant who is or claims to be a Beneficiary of the Participant or otherwise claims to derive an entitlement by reference to the Participant for the purpose of applying previously specified periods.

Initial Claim Determinations

The Plan Administrator will decide all Claims within 90 days after receipt of the Claim.

This 90-day period may be extended for up to an additional 90 days, if the Plan Administrator both determines that special circumstances require an extension of time for

processing the Claim and notifies the Claimant, before the initial 90-day period expires, of the special circumstances requiring the extension of time and the date by which the Plan Administrator expects to render a determination. If an extension is necessary due to a Claimant's failure to submit necessary information, the 90-day response period is suspended from the date the Plan Administrator sends the Claimant the extension notification until the date the Claimant responds to the request for additional information.

Important

If the Plan Administrator does not receive requested information within 60 days of the date the Plan Administrator sends the request, the Claim will be considered without the additional information and the resulting claim determination by the Plan Administrator will be final. No additional appeals with respect to the Claim will be available.

If the Plan Administrator's decision on a Claim is adverse, the Plan Administrator will furnish a written notice to the Claimant that, among other things, sets forth the following:

- The specific reason(s) for the adverse benefit determination;
- References to the specific Plan provisions on which the determination is based;
- A description of any additional material or information needed to process the Claim and an explanation of why that material or information is necessary; and
- A description of the Plan's appeal procedures and the time limits applicable to those procedures, including a statement of a Claimant's right to bring a civil action under ERISA after an appeal of an adverse determination.

Review of an Initial Adverse Claim Determination

If a Claimant receives an adverse determination, the Claimant may request a review of the determination. A Claimant has 60 days following the receipt of a notification of an adverse determination in which to appeal the determination.

Important

If a Claimant fails to request review of the adverse determination within 60 days, the Plan Administrator will conclusively determine that the initial Claim determination was correct.

A Claimant may submit written comments, documents, records and other information relating to the Claim.

A Claimant may request, free of charge, reasonable access to and copies of all documents, records and other information relevant to the Claim. For this purpose, a document, record or other information is treated as "relevant" to a Claim if it was relied upon in making the determination; was submitted, considered or generated in the course of making the determination, regardless of whether the document, record or other information was relied upon in making the benefit determination; and demonstrates compliance with the administrative process and safeguards required in making the determination.

The review will take into account all comments, documents, records and other information submitted by the Claimant relating to the Claim, regardless of whether the information was submitted or considered in connection with the initial benefit determination.

The Plan Administrator will notify a Claimant of the determination on review within a reasonable period of time, but not later than 60 days after receipt of the request for review. This 60-day period may be extended for up to an additional 60 days, if the Plan Administrator both determines that special circumstances require an extension of time for processing the claim and notifies the Claimant, before the initial 60-day period expires, of the special circumstances requiring the extension of time and the date by which the Plan expects to render a determination on review.

In the event an extension is necessary due to a Claimant's failure to submit necessary information, the Plan's time frame for making a benefit determination on review will be suspended from the date the Plan Administrator sends the extension notification until the date the Claimant responds to the request for additional information.

If the Plan Administrator does not receive the requested information within 60 days of the date the Plan Administrator sends the request, the Claim will be considered without the additional information and the resulting claim determination by the Plan Administrator will be final. No additional appeals with respect to the Claim will be available under the terms of the Plan.

The Plan Administrator's notice of an adverse determination on appeal will contain all of the following information:

- The specific reason(s) for the adverse benefit determination;
- References to the specific plan provisions on which the benefit determination is based;
- A statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of, all documents, records and other information relevant to the Claim; and
- A statement describing the Claimant's right to bring an action under ERISA.

SECTION 11 - YOUR RIGHTS UNDER ERISA

As a Participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all Plan documents, including insurance contracts and a copy of the latest annual report (Form 5500) 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 and collective bargaining agreements, and copies of the latest annual report and additional copies of this summary plan description. The Plan Administrator may make 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 benefit would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Action by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called fiduciaries of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit 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 without 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 materials from the Plan and do not receive them within 30 days, you may file suit in a 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. If you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries 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 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 is frivolous. **However, no legal action may be commenced or maintained against the Plan prior to your exhaustion of the Plan's claims procedures described above**.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, Department of Labor listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, 200 Constitution Avenue NW, Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-866-444-3272 or at www.dol.gov/agencies/ebsa.

SECTION 12 - OTHER IMPORTANT INFORMATION

Not a Contract of Employment

The Plan must not be construed as a contract of employment and does not afford any employee a right of continued employment with Kaleida Health.

Domestic Relations Orders

As a general rule, your interest in the Plan may not be assigned or alienated. This means that your interest may not be sold, used as collateral for a loan (other than a Plan loan), given away, or otherwise transferred. In addition, your creditors may not attach, garnish, or otherwise interfere with your benefit.

There is an exception, however, to this general rule. The Plan Administrator may be required by law to recognize obligations you incur as a result of court-ordered child support, alimony, or similar payments. The Plan Administrator must honor a Qualified Domestic Relations Order ("QDRO") which is a court order, judgment, or decree issued by a court that creates or recognizes the existence of the rights of someone other than you to an interest in your account. A QDRO obligates the Plan to pay support or alimony, or otherwise allocates a portion of your account under the Plan to your spouse, former spouse, child, or other dependent. If a QDRO is received by the Plan Administrator, all or a portion of your account may be used to satisfy the obligation. A copy of the Plan's written procedures for determining and implementing a QDRO can be obtained free of charge from the Plan Administrator.

Right of Recovery

There are times that you will be required to furnish information or proof necessary to determine your or your Beneficiary's right to a Plan benefit. If you or your Beneficiary fail to submit the requested information or proof, make a false statement, or furnish fraudulent or incorrect information, your or your Beneficiary's benefits under the Plan (and participation in the Plan, even if you or your Beneficiary would otherwise meet the eligibility requirements) may be denied, suspended, or discontinued at any time and for any length of time (including permanently) by a duly authorized representative of the Plan or any of its designees in its sole and absolute discretion.

If the Plan makes payment for benefits that are in excess of expenses actually incurred or in excess of allowable amounts, due to error (including, for example, a clerical error) or fraud or for any other reason (including, for example, your failure to notify the Plan office regarding a change in family status), the Plan reserves the right to recover such overpayment plus interest and costs, through whatever means are necessary, including, without limitation, legal action or by offsetting future benefit payments to you, your Beneficiary, or your or your Beneficiary's heirs, assigns, or estate.

PBGC Insurance of Benefit

The type of Plan your Employer has adopted is a defined contribution plan. Therefore, the Plan is not subject to or insured by the Pension Benefit Guaranty Corporation (PBGC).