

Twin City Hospitals - Minnesota Nurses Association Pension Plan

Summary Plan Description

January 2021

This summary plan description applies to nurses whose termination of covered employment with a participating employer occurs on or after January 1, 2006



About This Booklet

This booklet, a summary plan description, explains the main provisions of the Twin City Hospitals — Minnesota Nurses Association Pension Plan (also called the “Pension Plan” or the “Plan”) in effect as of January 1, 2021. These provisions apply to you if you are a registered professional nurse who is a Plan participant and you have a period of employment that ends on or after January 1, 2006 and includes at least one vesting year.

If you retired or terminated employment with your participating employer before January 1, 2006, your benefit will be determined under the rules of the Plan in effect when your employment ended, unless you complete at least one year of vesting service during a period of reemployment that ends after December 31, 2005. You can obtain a copy of the applicable summary plan description or summaries of material modifications from Wilson McShane, the Minnesota Nurses Association or your Participating Employer. See addresses on pages 34 and 38.

You will be promptly notified if any changes are made to the Plan. You also will receive information about how those changes may affect you.

This booklet does not try to describe all of the terms and provisions of the Twin City Hospitals — Minnesota Nurses Association Pension Plan. It is only intended to be an accurate summary of the important provisions of the Plan. The official Plan document contains full Plan details. In the event of a discrepancy between the information contained in this booklet and the official Plan document, the Plan document will always govern.

If you have questions about the Plan or would like a complete copy of the Plan document, contact the Pension Committee at the address listed on page 34. You may also wish to contact the Minnesota Nurses Association at the address listed on page 34 as a resource for additional information concerning the Plan.

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INTRODUCTION

This booklet is the summary plan description for the Twin City Hospitals — Minnesota Nurses Association Pension Plan (also referred to in this booklet as “the Pension Plan” or “the Plan”), which originally became effective January 1, 1962. The Plan is a result of negotiations between representatives of the participating employers and the Minnesota Nurses Association and is maintained under a collective bargaining agreement called the “Pension Agreement.” You can find a list of participating employers and covered locations on the last page of this booklet.

This booklet describes how the Plan works and summarizes the Plan in effect as of January 1, 2021. You are eligible to participate in this Plan if you are a registered professional nurse who is employed by a participating employer at a covered location and you have met the age and service requirements of the Plan.

To gain a basic understanding of the Plan, you are encouraged to read this entire booklet. The *Plan at-a-Glance* section that follows provides an overview of the benefits provided to eligible participants. The remaining sections use examples and call-out boxes to highlight how retirement benefits are earned and how they may be limited.

Consider this booklet to be your primary reference guide — the first place to turn when you have a question about your retirement benefits. Any questions you may have about the information in this booklet should be directed to the Pension Committee at the address listed on page 34. You may also wish to contact the Minnesota Nurses Association at the address listed on page 34 as a resource for additional information about the Plan.

See *Important Terms to Know* on page 6 and the *Glossary of Terms* starting on page 35 for the definitions of various technical terms used throughout this booklet.

PLAN OVERVIEW

ABOUT THE PLAN

The Twin City Hospitals — Minnesota Nurses Association Pension Plan is a “defined benefit” plan that is jointly administered by a six-member Pension Committee. Three members of the Committee are appointed by the Minnesota Nurses Association, and three are appointed by the participating employers.

A defined benefit plan uses a definite, pre-determined formula to calculate the pension benefits payable to Plan participants upon retirement. Benefits are payable for a defined period, typically your life or the joint lives of you and your spouse. This means:

- the Plan provides a specific monthly benefit amount when you retire,
- you do not contribute toward your pension — the entire cost is funded by participating employers in accordance with actuarial determinations of funding necessary to assure future availability of benefits, and
- you have no investment risk. The Plan pays your pension even if its investments are not performing well.

Your benefits under the Plan are portable among the participating employers. The Plan does not, however, pay distributions that can be rolled over by you to other plans or an IRA.

The major goals of the Plan are to provide nurses a measure of financial security at retirement and to encourage nurses to continue employment with the participating employers.

The pension benefit you receive under the Plan is in addition to any benefit you may receive from Social Security or from your contributions to 403(b) or 401(k) plans established through the participating employers.

PLAN AT-A-GLANCE

The Pension Plan pays retirement benefits based on a formula that looks at your years of continuous service as a Plan participant and the benefit credits you earn while employed by participating employers as an active registered nurse at covered locations.

FEATURE	PENSION PLAN BENEFITS
Eligibility (page 5)	You are eligible to participate in the Plan on either January 1 or July 1 following the 12-month anniversary date of your hire by a participating employer or affiliate. You also must be an active RN at a covered location on this date.
Funding the Plan (page 7)	Your pension benefits are provided at no cost to you. The Plan is completely funded by contributions from participating employers.
Vesting Service (page 7)	You earn one year of vesting service for each W-2 year that includes 1,000 paid hours (832 hours after you have 10 years of vesting service). You become vested (or fully entitled to your benefits) once you complete five years of vesting service or you reach age 65 while working for a participating employer, whichever happens first. Years need not be consecutive but may not be interrupted by a period longer than five years.

PLAN OVERVIEW (cont.)

FEATURE	PENSION PLAN BENEFITS
When You Can Retire (pages 14-16)	<ul style="list-style-type: none"> • Normal Retirement: The first day of the month on or after the date you reach age 65, whether or not you terminate employment. • Early Retirement: <ul style="list-style-type: none"> - Reduced early retirement benefit as early as age 55 if you have completed at least 10 years of vesting service. - Unreduced early retirement benefit if your age plus your years of vesting service equal 85 or more at the time you retire (see “Rule of 85,” page 16). • Late Retirement: You can continue to earn additional benefit credits if you continue to work after you reach age 65 — at the same time you are receiving pension payments. Benefit credits earned after you are age 65 will be included in pension payments in all years after the year in which you earn each credit. • Disability Retirement: If you become disabled while still an active RN, are between the ages of 50 and 55 and have completed at least 15 years of vesting service, you will be entitled to receive a monthly disability pension payment. • Vested Termination: You are entitled to a deferred vested benefit when you reach retirement age if your employment ends before retirement and you have at least five years of vesting service.
Plan Benefit (page 16)	<p>Your retirement benefits are based on the benefit credits you earn while you are an active RN at a covered location. Your benefit credits are based on your hours of service and your yearly pay. The current benefit formula for service after May 1999 is an annual benefit credit equal to 1.65% of your W-2 earnings. However, if you have completed at least 13 years of vesting service prior to a year beginning on or after January 1, 2005, the annual benefit credit for that year is equal to 1.75% of your W-2 earnings. Your annual pension upon retirement is based on the total benefit credits earned each year of your covered employment.</p>
Minimum Benefits (page 17)	<p>To adjust your pension for years when salaries and earnings were lower, the Plan provides a minimum monthly benefit of \$47 for each full-time year of service. The minimum is prorated for part-time service.</p>
Payment Options (pages 24-26)	<ul style="list-style-type: none"> • If You Are Single: Your benefit will be paid as a life annuity (your full monthly retirement income for as long as you live). • If You Are Married: Your benefit will be paid as a joint and 50% survivor annuity (reduced monthly retirement income for as long as you live and, after your death, monthly retirement income to your surviving spouse equal to 50% of your monthly retirement benefit). <p>NOTE: Alternative forms of payment are offered. If you are married and wish to choose an alternative form of payment, your spouse must consent to this election in writing.</p>

FEATURE	PENSION PLAN BENEFITS
Survivor Benefit (pages 26-28)	<ul style="list-style-type: none"> • If you are married and have been married for at least one year at the time of your death, your spouse may be eligible to receive a survivor benefit if you die before pension benefits begin. • If you are not married, but are at least age 40 and have at least 10 years of vesting service at the time of your death, your beneficiary may be eligible to receive a lump sum survivor benefit.
Portability (pages 7-13)	Service in any position with any one or combination of covered employers (either consecutively or concurrently) is counted in determining if a nurse has enough vesting years to vest and eventually qualify for a pension. Service as an active RN with any one or combination of covered employers is considered in determining the amount of benefit credits earned by a nurse.

ELIGIBILITY AND ENROLLMENT

ELIGIBILITY

You may become a participant in the Twin City Hospitals — Minnesota Nurses Association Pension Plan if you are an active registered nurse (RN). You are considered an active RN if you are:

- licensed in Minnesota to practice professional nursing,
- employed at a covered location by an employer that participates in the Plan,
- a member of a collective bargaining unit represented by Minnesota Nurses Association, and
- employed at a hospital as a staff nurse or assistant head nurse, or if employed at some other health care enterprise, are employed to provide similar kinds of patient service. (With respect to service prior to January 1, 1984, head nurses were also considered active RNs eligible to participate in the Plan.)

You may also be considered an active RN while practicing professional nursing under a permit from the Minnesota Board of Nursing or while on a leave of absence from employment.

If you practiced professional nursing without a license before licensure became mandatory (July 1, 1960) as a general duty or staff nurse, assistant head nurse, or head nurse, that service is recognized as service as an active RN if it was with a participating employer.

M HEALTH FAIRVIEW UNIVERSITY OF MINNESOTA MEDICAL CENTER

If you transferred from the M Health Fairview University of Minnesota Medical Center – West Bank to the East Bank campus in 1998, you may have been allowed to continue as an active RN under the Plan even though the East Bank is not a covered location.

ELGIBILITY AND ENROLLMENT (cont.)

IMPORTANT TERMS TO KNOW

Covered Locations

Participating employers operate the hospitals and other health care enterprises that are the covered locations under the Plan.

At these covered locations, service in the collective bargaining unit represented by the Minnesota Nurses Association is recognized for two purposes:

- To determine the amount of your pension, and
- To determine whether you have at least five years of vesting service and are eligible for a pension.

NOTE: Service outside the bargaining unit at these covered locations is credited towards vesting service but does not affect the amount of your accrued pension.

Noncovered Locations

Some participating employers operate facilities that are not covered by the Plan. These facilities are called noncovered locations. They are not separately incorporated organizations. They are simply different operating locations. Noncovered locations may be in Minnesota or outside Minnesota. Page 11 describes circumstances in which service at noncovered locations is recognized by the Plan.

Affiliates

Some participating employers have affiliates, which are separately incorporated business organizations related to a participating employer through 80% or more control. All participating employers and most affiliates are corporations or limited liability companies. Page 12 describes circumstances in which service with affiliates is recognized by the Plan.

Predecessors

Before being covered by the Plan, a facility may have been operated by a different employer than the employer that adopts the Plan. If this is the case, some or all of your service at that facility while operated by the previous employer may be counted in determining your status under the Plan. Your previous employer would be referred to as a “predecessor.” The extent to which service with a predecessor is recognized is determined at the time an employer adopts the Plan and is based on the facts and circumstances of each case. **NOTE:** Due to industry consolidations, mergers, etc., it is possible that you may have had several predecessors without ever changing employment.

WHEN PARTICIPATION BEGINS

When you meet the active RN eligibility requirements listed on page 5, you automatically become a Plan participant after you reach the 12-month anniversary of the first day you complete one hour of service with a participating employer or affiliate. Your participation begins on the January 1 or July 1 after your 12-month anniversary, whichever comes first. You do receive credit under the Plan for service during this first year. You do not need to complete an enrollment form — your employer will send the necessary information to the Plan administrator.

If you are a former employee who was not a participant, and are rehired by a participating employer, you will become a Plan participant on your date of rehire if:

- you are rehired as an active RN before incurring a one-year break in service, and
- you would have met all other eligibility requirements besides the active RN requirement.

FUNDING THE PLAN

Your pension benefits are provided at no cost to you. All contributions to the pension fund are made by participating employers according to the agreement negotiated with the Minnesota Nurses Association. Each year, the contributions to be made by participating employers are actuarially determined.

The pension fund is held in trust under a trust agreement with Wells Fargo Bank National Association, the trustee of the Plan. See page 35 for the trustee's address. Pension funds may be used only for the payment of pensions and for Plan expenses.

SERVICE

Hours of service are used to determine years of vesting service, including any breaks in service. They are also important in computing benefit credits as explained on pages 16-22.

VESTING SERVICE

Vesting is the point at which the pension benefit you have earned becomes non-forfeitable even if you never have any future service. Your years of vesting service are used to calculate your future right to a benefit under the Plan. They determine whether you qualify for a pension, when pension payments may begin, and whether there will be a reduction in the amount of your pension if you begin payments early. Vesting service also determines whether credit is given for 832-hour years and eligibility for some death benefits.

You earn one year of vesting service for each calendar year in which you are credited with at least 1,000 hours of service (see *Hours of Service*, page 8). You become 100% vested after five years of vesting service or when you reach your normal retirement age (65) while working for a participating employer or affiliate. If your employment with a participating employer ends before you become vested, and you are not subsequently rehired by a participating employer, you lose all benefits from the Plan. If you are rehired at a later date, break in service rules will apply (see *Break in Service*, pages 13 and 14).

IRA NOTE

If you are a participant in the Plan and an active RN for any part of a calendar year, you may not be eligible to make tax deductible contributions to an Individual Retirement Account or Annuity (IRA) for that year. However, you may be eligible to make a nondeductible contribution to an IRA or a Roth IRA even if you participate in the Plan. The requirements for IRA eligibility are technical and the law constantly changes. Whenever you or your spouse, if any, contemplates contributing to an IRA, you should check with your tax advisor.

SERVICE (cont.)

Additional Ways to Earn or Calculate Vesting Service

- If you have 10 or more years of vesting service based on the 1,000 hours of service rule, you are also credited with a year of vesting service for each calendar year after 1975 in which you have at least 832 but fewer than 1,000 hours of service. (For purposes of determining whether you have at least 832 hours of service for years prior to 1988, the Pension Committee's records as of January 1, 1992 are conclusive.)
- You will have one year of vesting service for your first 12 months of employment if you are employed by a participating employer, affiliate or predecessor employer at the end of the 12 months, even if you are not credited with 1,000 hours of service in either of the overlapping calendar years. For example, if you start work on May 1, 2002, and are still employed on April 30, 2003, you will earn one year of vesting service even if you are not credited with 1,000 hours of service in either 2002 or 2003.
- The rules for calculating years of vesting service before January 1, 1962 are different. To have a year of vesting service before January 1, 1962, you must have been an active RN on that date. If so, you would calculate your years of vesting service like this:
 1. Determine the period of continuous service between April 15, 1947 and January 1, 1962 with the participating employer for which you worked on January 1, 1962.
 2. Then find the earliest date during that period that you were employed as an active RN.
 3. Full calendar years after that date and before January 1, 1962 are your years of vesting service.

THE W-2 WITHHOLDING PERIOD AND YOUR HOURS OF SERVICE

Here is an example of how the W-2 withholding period affects your hours of service:

- If your two-week pay period begins on December 25, 2010 and ends on January 7, 2011, and you are paid on January 14, 2011, December 25, 2010 is the *beginning* of the 2011 W-2 withholding period. This is because the payroll period beginning on December 25, 2010 is the first payroll period for which you receive pay in 2011. In this case, your last hours worked in 2010 are credited in 2011, not 2010.
- If your two-week pay period begins on December 10, 2011 and ends on December 23, 2011 and you are paid on December 30, 2011, December 23, 2011 is the *end* of the 2011 W-2 withholding period. This is because the payroll period ending on December 23, 2011 is the last period for which you receive pay in 2011. In this case, your hours worked after December 23, 2011 will be credited to 2012, not 2011.

HOURS OF SERVICE

Hours of service are usually calculated for a calendar year and are based on hours during the annual W-2 withholding period ending in that calendar year. This period normally begins with the first pay period for which you receive pay during a calendar year and ends with the last pay period for which you receive pay during the calendar year.

NOTE: If you are actually paid for the last pay period of a year in the following year, the hours of service for that pay period are credited in the following year, not the year in which the service is performed (see *The W-2 Withholding Period and Your Hours of Service* example to the left).

An hour of service is:

- each hour for which you are paid or are entitled to payment for the performance of employment duties,
- each paid on-call hour whether on or off your employer's premises,
- each hour for which you are paid *directly* by your employer when not working, as provided in your employment contract (e.g., hours of sick leave, holiday, vacation and funeral leave),
- each hour for which you are paid *indirectly* by your employer when not working (such as hours paid by an insurance company). These hours must be in one of the following categories and not more than 501 hours are credited for any single continuous period of absence:
 - vacation,
 - holidays,
 - medical absences,
 - incapacity (including disability),
 - layoff,
 - jury duty, or
 - leave of absence.

- each hour of back pay that is either awarded or agreed to by your employer as a result of a grievance,
- each hour offered by a participating employer and taken by you as voluntary unpaid leave of absence before layoff and each low-need day hour,
- each hour after May 31, 1974 when you cannot work as scheduled because you served on a committee to negotiate an employment agreement or pension plan between the Minnesota Nurses Association and a participating employer. Also, each hour after 1980 during which you cannot work as scheduled because you are a member of and attending a meeting or subcommittee meeting of:
 - the Pension Committee, or
 - a task force formed jointly by Minnesota Nurses Association and the participating employers' Labor Relations Board.

NOTE: You must take initiative and file a written report to your participating employer for these hours to be credited under this Plan.

- each hour that you cannot work as scheduled because you are called to military service. To receive credit for these hours of service, you must return to employment with your participating employer after you are discharged and within the time required by federal law.

See page 10 with respect to Workers' Compensation hours, and page 13 with respect to imputed hours of service for certain participants terminating employment after December 31, 1999 due to disability.

DETERMINING HOURS OF SERVICE UNDER DIFFERENT CIRCUMSTANCES

There are certain circumstances in which hours of service are determined differently. The table below describes several of these circumstances.

IF YOU...	YOUR HOURS OF SERVICE ARE DETERMINED LIKE THIS...
Were hired before 1968	Prior to 1968, participating employers reported only hours actually worked, not all hours for which you were paid, according to Plan provisions in effect at that time. Therefore, for the purpose of determining if you had at least 1,000 hours of service (but not more than 1,000), the hours reported for you for those years were increased by 15%.
Are scheduled for an alternate weekend schedule or take a voluntary low-need day for a portion of a 12-hour alternate weekend shift	If you work a 12-hour weekend shift or if you are given a low-need day, you are credited with 1-1/2 hours for each hour you worked or were scheduled to work.
You are a salaried employee and your pay is not based on an amount for each hour worked	You are credited with 190 hours of service for each month in which you have at least one hour of service.

SERVICE (cont.)

If You Receive Workers' Compensation Benefits After 1987

If you receive Workers' Compensation benefits after 1987 while an active RN, there are special rules that apply. If you receive Workers' Compensation benefits, be sure to check your annual pension statements (green sheets) to make sure your benefits are reflected. If you think a notice is incorrect, you should contact your employer.

FOR YEARS...	IF YOU ARE RECEIVING WORKERS' COMPENSATION BENEFITS AND ARE ABSENT FROM WORK...
1988 through 1992	You are considered absent due to work-related illness or incapacity and are credited with hours of service. Hours of service will be credited at the same rate as if you were continuing to work your regular schedule at the time of injury or illness. The maximum number of hours that will be credited to you for any single continuous period of absence is 501 hours.
After 1992	<p>You are credited with hours of service for any period you are receiving Workers' Compensation benefits for up to two years from the date you first lose time at work. Hours of service are credited at the same rate as if you were continuing to work your regular schedule at the time of injury or illness. If you are credited with hours of service for the same period under the normal hours of service rules (on page 8), the hours credited for the period will be the greater of those hours or the hours credited under the rule described here.</p> <p>If you return to work in an alternate position, your hours of service will be computed under the regular rules, with no hour limitation. In addition, even though you are not an active RN, your earnings during the one-year period following the date you are first entitled to Workers' Compensation benefits and while you are in the alternate position will be recognized. They will be treated as W-2 earnings under the same rules as apply to active RNs.</p> <p>Your W-2 earnings will also include the amount of your weekly Workers' Compensation payments for temporary total disability, temporary partial disability or permanent total disability for up to two years from the date you first lose time at work because of the injury or illness.</p>

If You Work(ed) at a Noncovered Location or an Affiliate

Noncovered locations and affiliates are explained below and on page 12. Because service at noncovered locations and with affiliates is never considered service as an active RN, *it never results in benefit credits*. It can, however, result in hours of service that *are recognized in determining your years of vesting service*.

Hours of Service at Noncovered Locations

Hours of service at noncovered locations or as other than as an active R.N. are recognized for vesting service purposes except as follows:

IF YOU...	YOUR HOURS OF SERVICE...
Worked outside of Minnesota after December 31, 1984*, (or after December 31, 1992, outside of Minnesota or St. Croix county, Wisconsin)	Are recognized only if the service is preceded or followed by service with the participating employer as an active RN and there is no intervening break in your service because you end your employment, are discharged or retire.
Worked for an employer that becomes a participating employer after December 31, 1984	Are recognized (including hours before December 31, 1984) only if the service is preceded or followed by service with the participating employer as an active RN and there is no intervening break in your service because you end your employment, are discharged or retire.
Worked for an employer other than as an active RN after December 31, 1984	Your hours of service with an employer during the time you are not a registered nurse are not recognized unless you — at some earlier or later time — are employed by that employer while you are a registered nurse**.

**This limit does not apply if, on December 31, 1984, you have five or more years of vesting service. If you had a break in service, contact the Pension Committee to make sure that you receive credit for all applicable years and hours of service.*

*** If you worked for an employer that becomes a participating employer, affiliate or predecessor after December 31, 1984, this rule applies to all years. This does not apply to you if you were a participant on December 31, 1984 and had at least five years of vesting service. If you had a break in service, contact the Pension Committee to make sure that you receive credit for all applicable years and hours of service.*

SERVICE (cont.)

Hours of Service with Affiliates

Hours of service with affiliates are recognized for vesting service purposes except as follows:

	IF YOU...	YOUR HOURS OF SERVICE...
<p>SPECIAL SERVICE PROVISIONS FOR CERTAIN HOSPITALS</p> <p>Divine Redeemer Memorial Hospital In 1978, Divine Redeemer Memorial Hospital became a participating employer in the Plan. If you worked at Divine Redeemer Memorial Hospital, your service before 1976 is recognized only if you were an active RN at the hospital on January 1, 1976. Your benefit credits for service at that hospital are based only on service on and after January 1, 1974.</p> <p>Golden Valley Health Center Also in 1978, Health Central, Inc. extended coverage of the Plan to Golden Valley Health Center. If you worked at Golden Valley Health Center (or with its predecessors Glenwood Hills Hospital and Anoka Community Hospital) before January 1, 1971, your service before 1971 is recognized only if you were an active RN at that hospital on January 1, 1971. Your benefit credits for service at that hospital are based only on service on or after January 1, 1977.</p>	Worked for an affiliate after December 31, 1984*	Are recognized only if the service is performed in Minnesota, or after December 31, 1992, in Minnesota or St. Croix County, Wisconsin.
	Worked for an affiliate after December 31, 1987* and before January 1, 1993	Are recognized only if the service: <ul style="list-style-type: none"> • is performed in certain specified counties, or • is preceded by or following (without more than a 90-day break) service with that participating employer or another affiliate of that participating employer in the specified counties. <p>NOTE: The specified counties are Hennepin, Ramsey, Washington, Dakota, Anoka, Scott, Carver, Sherburne, and Wright counties of Minnesota.</p>
	Worked for an employer that becomes an affiliate after December 31, 1984	Are recognized (including hours before December 31, 1984) only if the service is performed in Minnesota or, after December 31, 1992, in Minnesota or St. Croix County, Wisconsin.
	Worked for an employer that becomes an affiliate after December 31, 1987	Are recognized (including hours before December 31, 1987) only if the service: <ul style="list-style-type: none"> • is performed in certain specified counties, or • is preceded by or following (without more than a 90-day break) service with that participating employer or another affiliate of that participating employer in the specified counties (see counties listed above).

** This limit does not apply if, on December 31, 1984 or December 31, 1987, as the case may be, you have five or more years of vesting service. If you had a break in service, contact the Pension Committee to make sure that you receive credit for all applicable years and hours of service.*

If You Work(ed) at a Leasing Organization

Your service with a leasing organization, such as a temporary agency, may count toward determining your years of vesting service if, at some point, you were an employee of the participating employer or affiliate to which you were leased. If this situation affects you, you must provide the Pension Committee with a written report of the facts of your situation.

IF YOU BECOME DISABLED AFTER 1999

If you have at least five years of vesting service (with at least one year of vesting service in a period of continuous employment ending after 1999) and are an active RN at the time you are determined by the Social Security Administration (SSA) to be totally and permanently disabled, the following special rules apply:

- Benefit credits and vesting service continue to accrue during the period of your disability.
- Hours of service are credited for each pay period you are absent from work because of your disability until the earliest of the following:
 - the date your disability ends,
 - your pension payments under the Plan begin, or
 - you die.
- Hours of service are based on the average number of hours per pay period credited to you for the three full calendar years prior to the onset of the condition resulting in your disability (even if you were not employed by a participating employer or affiliate for the full three-year period).
- W-2 earnings will be credited for each pay period in which you are credited with hours of service during your period of disability. The W-2 earnings credited are based on your average W-2 earnings per pay period for the three full calendar years prior to the onset of the condition resulting in your disability.

IMPORTANT: Neither the Minnesota Nurses Association nor your hospital may know that you have received a Social Security disability determination. You or your representative, therefore, must notify the Pension Committee and provide the Committee with a copy of the SSA's determination of your disability to be credited with imputed hours of service and W-2 earnings during a period of disability. If it is later determined you are no longer disabled, you must also give notice of that determination to the Pension Committee.

BREAK IN SERVICE

A one-year break in service occurs if you have no hours of service in any one calendar year. If you have even one hour of service, it is not considered a break in service.

- If you *are* vested — or have at least five years of vesting service — when you have a break in service, you keep your vesting service and benefit credits earned up to the year of the break.
- If you are not vested, you can have up to four consecutive one-year breaks, but as soon as you have five consecutive one-year breaks (one of which must be in 1976 or later), you forfeit your pre-break years of vesting service and benefit credits.

BREAK IN SERVICE (cont.)

Special break in service rules apply if your absence is due to:

- your pregnancy,
- birth of a child to you,
- placement of a child with you for adoption, or
- your caring for a child for a period beginning immediately after the birth or placement of the child.

In the instances described above, the year after your leave begins will not be counted as a break in service even if you do not have any hours of service during that year with a participating employer or affiliate.

To receive proper credit during a maternity or paternity leave, you should report the beginning and ending dates of your leave to the Pension Committee immediately after your leave is over.

If you return to work for a participating employer or affiliate and have lost vesting service and benefit credits because of the break in service rule, you are treated as if you had never worked for a participating employer or affiliate before. However, if you return to work and earn five years of vesting service, benefit credits you earned after 1961, but lost because of the break in service rule, will be reinstated.

WHEN YOU CAN RETIRE

When you are considering when to retire or what form of pension to apply for, you may request an estimate of your pension benefit from the Pension Committee. This estimate will show how much your monthly payment will be under various payment options.

Pension payments cannot start earlier than the first of the month after receipt of your completed application if you are applying for retirement benefits before age 65.

NORMAL RETIREMENT

The Pension Plan is designed to provide monthly benefits for life after you retire. The benefit you earn if you retire at your normal retirement age is called your normal retirement benefit. Your normal retirement date is the first day of the month on or after the date you reach age 65.

Pension payments must start at age 65 even if you are continuing employment with a participating employer in an active RN position. The Pension Committee will solicit your application if you do not apply at age 65. Payments will be retroactive to the first of the month following your 65th birthday.

EARLY RETIREMENT

If you have completed 10 years of vesting service and reached age 55, you may elect to start your pension benefits early. If you want your pension payments to begin before you are age 65, you must file the appropriate form with the Pension Committee before the date you want payments to begin.

If you elect to start receiving pension payments before age 65, there will be some reduction in the monthly amount of your pension. This is because you will receive more monthly payments, and they will start sooner, than if your pension had started at age 65. Even so, because the early retirement reduction is subsidized it is often to your advantage to elect to start benefits early rather than waiting until age 65. There is no reduction for early commencement if you satisfy the Rule of 85, see below.

Reduction of Pension for Early Retirement

If you take an early retirement and elect to start benefit payments, the amount of your monthly pension is equal to your benefit credits reduced by 1/4 of 1% (or .0025) for each month between the date you begin receiving payments and the first day of the month following the earlier of:

- the month you will satisfy the Rule of 85 based on your years of vesting service at the time payments begin, or
- the month after you reach age 65.

For example, if you retire at age 56 with 25 years of vesting service, you are four years (48 months) away from the date you would satisfy the Rule of 85; you would be nine years (108 months) away from age 65. Therefore, the reduction factor is 12% (48 x .0025). This means the remaining percentage of your benefit credits would be 88%.

Rule of 85

If, at the time of your termination of employment with participating employers or affiliates, your age plus your years of vesting service equals 85 or more, you may elect to commence pension payments under the “Rule of 85.” Under this rule, your benefits will not be reduced to reflect early commencement. For example, if you end your employment at age 54 with 31 years of vesting service, you would qualify for this benefit.

If you want your pension to start early under this rule, you must file an application form with the Pension Committee before the date you want payments to begin. As with early retirement, this is a form of subsidized early retirement, so it is often to your advantage to elect to start benefits early rather than waiting until age 65.

LATE RETIREMENT

If you continue to work after you reach age 65, you may earn additional benefit credits. These benefit credits would be earned under the same rules that apply before you are age 65. Since pension payments begin when you are age 65 — even if you continue working — you can earn additional benefit credits at the same time you are receiving pension payments. Benefit credits you earn after reaching age 65 will be included in pension payments in all years after the year in which you earn each credit. If your employment ends during a year in which you earn this type of benefit credit, the credit will be included in all pension payments after your employment ends.

DISABILITY RETIREMENT

Special provisions apply if you become disabled before you are eligible for early retirement while an active RN and a participant in this Plan. Your disability must be a mental or physical impairment that prevents you from performing the usual duties of an active RN. It also must be expected to be permanent or at least long-lasting.

If you have completed 15 years of vesting service and become disabled between age 50 and age 55, you may apply for a disability pension. Before approving a disability pension, the Pension Committee requires a physical or mental examination by a physician approved by the Committee and will rely on the physician’s reports in determining if you are disabled. The first exam is at your expense. If additional exams are needed, they will be paid for by the Plan.

WHEN YOU CAN RETIRE (cont.)

If approved for a disability pension, your first monthly payment will begin on the first day of the month after the later of:

- the date your employment ends,
- the date your application for a disability pension is received by the Pension Committee, or
- the date of your last payment from any wage continuation plan offered by your participating employer (Workers' Compensation benefits are not included).

If your employment ends because of disability, and you also meet the age and service requirements for an early retirement under the Rule of 85, you may elect to receive the early retirement pension instead of a disability pension. You must make this election by filing the proper form with the Pension Committee before any disability pension payment is made to you.

If you are eligible for disability insurance benefits, it may be to your advantage to delay electing a pension for disability retirement, because your disability insurance benefits may be offset by the amount of any disability pension benefits. Furthermore, you may be eligible to continue earning benefit credits during your period of disability (see page 13).

If you have a disability retirement, your benefit credits are reduced by 1/4 of 1% for each month between the date you begin receiving payments and the first day of the month after you reach age 65.

VESTED TERMINATION

If you have at least five years of vesting service and leave your employment under the Plan before reaching your earliest retirement date, you are still eligible to receive a future benefit. This is referred to as a vested termination. If you leave employment before you have five years of vesting service (or are 100% vested), you are not entitled to any benefits under the Plan.

You can begin receiving the full value of your vested benefit as of the first day of the month after your 65th birthday (your normal retirement date). Or, you can receive a reduced benefit as early as the first day of the month after you reach age 55 if you have at least 10 years of vesting service when you leave your job.

If you wish to begin receiving your pension payments between ages 55 and 65, you should file the appropriate form with the Pension Committee before the date you want payments to start.

If you have a vested termination, your benefit credits are reduced by 1/4 of 1% for each month between the date you begin receiving payments and the first day of the month after you reach age 65.

CALCULATING YOUR RETIREMENT BENEFIT

BENEFIT CREDITS

The amount of your monthly pension is based on the benefit credits you earn while employed as an active RN by participating employers. Benefit credits are always expressed in dollars and cents. *Benefit credits and years of vesting service are not the same.* You may have vesting service for a year for which you do not earn benefit credits. For example, service as a supervisor or as an LPN, or at a noncovered location may count in computing your vesting service, but will not count in computing your benefit credits. This is because you are not an active RN while working as a supervisor or an LPN or at a noncovered location of a participating employer.

Over the years since the Plan began in 1962, the way benefit credits have been computed has changed. The different methods cover the following periods:

- pre-1962 (plus pre-1962 pre-maternity benefit credit, if applicable),
- pre-1976 current service benefit credit, and
- post-1975 current benefit credit (1976-present).

Also, over the years, the participating hospitals and Minnesota Nurses Association mutually recognized the need to establish and periodically increase a minimum monthly benefit credit for a full-time year of service. The effect of this is to upwardly adjust the benefit credits earned by a full-time nurse in previous years when the nurse's salary was substantially lower. This minimum credit is prorated for part-time nurses.

The minimum applicable to a nurse is the minimum provided by the Plan at the time of the nurse's most recent termination from a period of covered employment containing at least one vesting year of service. The minimum benefit established in 1979 was \$14. The minimum annual benefit amount for nurses covered by this summary plan description is shown in the following table:

DATE YOUR EMPLOYMENT ENDS	THE APPROPRIATE PERCENTAGE OF THIS BENEFIT CREDIT DOLLAR AMOUNT
On or after June 1, 2001 and before January 1, 2003	\$43.00
On or after January 1, 2003 and before January 1, 2004	\$44.00
On or after January 1, 2004 and before January 1, 2006	\$45.00
On or after January 1, 2006	\$47.00

Pre-1962 Benefit Credit

If you became a participant in the Plan on January 1, 1962, you earned a benefit credit for each month before 1962 in which you were an active RN — and back to your most recent date of employment prior to 1962. Your pre-1962 benefit credit is the sum of the amounts for full-time and part-time months. For each full-time month of employment before 1962, a nurse is credited with 1/12 of the annual monthly minimum as reflected in the following table. For each part-time month, a nurse is credited with 1/2 the amount that would have been credited for a full-time nurse.

DATE YOUR EMPLOYMENT ENDS	MONTHLY BENEFIT CREDIT EARNED AS A FULL-TIME ACTIVE RN	MONTHLY BENEFIT CREDIT EARNED AS A PART-TIME ACTIVE RN
On or after June 1, 2001 and before January 1, 2003	\$3.583	\$1.792
On or after January 1, 2003 and before January 1, 2004	\$3.666	\$1.833
On or after January 1, 2004 and before January 1, 2006	\$3.750	\$1.875
On or after January 1, 2006	\$3.916	\$1.958

CALCULATING YOUR RETIREMENT BENEFIT (cont.)

FOR EXAMPLE

Assume:

- You were an active RN when employed originally in July 1958.
- You worked continuously as an active RN at the same participating employer.
- You became a Plan participant on January 1, 1962.
- You worked a total of 22 full-time calendar months and 20 part-time calendar months from July 1, 1958 through December 31, 1961.

According to this example, you would earn the following pre-1962 benefit credits if your employment ends on January 1, 2006:

22 full-time calendar months	x	\$3.916	=	\$ 86.15
20 part-time calendar months	x	\$1.958	=	<u>\$ 39.16</u>
				\$125.31

Pre-1962 Pre-Maternity Past Service Benefit Credit

If you were a participant in the Plan prior to January 1, 1963 and have not started your pension as of June 1, 2001, you may be eligible to claim benefit credits for pre-1962 pre-maternity service if:

- you had a period of pre-1962 continuous service as an active RN with the same participating employer at which you were employed in 1962,
- that service was not previously counted as “covered employment” because of a subsequent pre-1962 break in service of less than 12 months, and
- the break in service was due to your pregnancy or maternity.

The amount of the benefit credit for each year during that period will be equal to the minimum benefit credit dollar amount in effect at the time your employment ended (see chart on page 17), multiplied by the ratio (but not greater than one) of your pay from the participating employer that year to the average annual starting rate of pay for a full-time active RN for that year.

FOR EXAMPLE

Let's say you worked as an RN at a participating employer in 1959 and had a six-month break in service at the end of 1959 to have a baby before returning to work at the participating employer in 1960. The break in 1959 might previously have been treated as a termination, with a rehire in 1960. If you continued to work at the hospital until 1962, the Plan prior to 2001 had provided benefit credits only for the service in 1960 and 1961. Now, a pre-1962 pre-maternity benefit credit can be claimed for the 1959 service. If your pay from the participating employer in 1959 was \$3,200, and your applicable minimum benefit credit is \$47.00, the amount of the pre-1962 pre-maternity benefit credit for 1959 would be:

$$\begin{aligned} & \$47.00 \times \$3,200 \div \$3,765 = \$39.95 \\ & \text{(The average annual starting pay in 1959 was \$3,765.)} \end{aligned}$$

In order to claim this pre-1962 pre-maternity benefit credit, you must complete and return the appropriate form to the Pension Committee. You must also provide the Pension Committee with:

- evidence that a break in service occurred as a result of pregnancy or maternity (such as a copy of a birth certificate for a birth occurring during the break period), and
- documentation (such as W-2 reports or Social Security Administration earnings reports) indicating the amount of compensation that the participating employer paid you as an active RN during the period of pre-maternity service.

1962-1975 Benefit Credit

For each of the calendar years 1962 through 1975, the Plan provides that you have a benefit credit that is a percentage of the minimum annual benefit credit shown in the table on page 18.

The percentage of the annual minimum is based on your hours of service as an active RN and is determined according to the following table:

HOURS OF SERVICE AS AN ACTIVE RN DURING A PLAN YEAR	PERCENTAGE OF ANNUAL MINIMUM
1,725 or over	100%
1,350 to 1,725	75%
1,000 to 1,350	50%
Less than 1,000	0%

In determining the percentage used from the table above, only hours of service as an active RN are counted. For example, if you had 1,100 hours of service with a participating employer while classified as a staff nurse during a year and 700 hours of service while classified as a supervisor, your percentage is 50%.

For years 1962 through 1968, only actual hours worked (not all hours for which you were paid) were counted. Therefore, for purposes of determining if you had at least 1,000 hours of staff nurse service, the hours reported for you during those years were increased by 15%. The hours information reported to you on your annual pension statement includes the 15% increase.

Post-1975 Benefit Credit

For all years of credited service after 1975, you are credited with a benefit credit that is directly related to your salary in each year. Your earned benefit credit increases, therefore, as your salary increases, even if no improvement is made in the Plan.

For each of the calendar years after 1975, you have a benefit credit that is the greater of the following:

- 1.5% of your W-2 earnings for years 1976 through May of 1999; and 1.65% of your W-2 earnings for service after June 1, 1999. In addition, effective January 1, 2005, and as of each subsequent January 1, a nurse who has completed 13 years of vesting service will receive a credit equal to 1.75% of her/his W-2 earnings for future years of service.
- A percentage of the annual minimum dollar amount from the table on page 17.

The percentage of the annual minimum full-time benefit credit for post-1975 service (not more than 100%) is based on the ratio of your earnings for the year to the full-time Associate Degree/Diploma staff nurse starting annual salary for that year. The ratio is your W-2 earnings as an active RN divided by the amount for that year from the table on the following page.

CALCULATING YOUR RETIREMENT BENEFIT (cont.)

YEAR	AMOUNT(\$)	YEAR	AMOUNT (\$)
1976	\$10,570	1999	\$36,991
1977	11,410	2000	38,145
1978	12,264	2001	40,251
1979	13,177	2002	43,160
1980	14,755	2003	45,435
1981	16,300	2004	47,734
1982	17,682	2005	49,833
1983	19,166	2006	51,828
1984	20,238	2007	53,902
1985	21,051	2008	56,063
1986	21,893	2009	57,976
1987	22,640	2010	58,686
1988	23,319	2011	59,025
1989	24,500	2012	59,960
1990	26,169	2013	61,157
1991	28,003	2014	62,206
1992	29,460	2015	62,959
1993	30,598	2016	63,959
1994	31,796	2017	65,240
1995	32,883	2018	66,542
1996	33,869	2019	68,264
1997	34,802	2020	70,318
1998	35,788	2021	72,118

For example, assume your earnings in 1980 were \$10,440. 1.5% of \$10,440 is \$156.60. Divide this amount by 12 to get a monthly benefit credit amount of \$13.05. To determine which is greater — this benefit amount or the minimum benefit credit amount — you would divide your \$10,440 by \$14,755 from the table above for 1980. This ratio is 70.76%. This percentage multiplied by the \$47 minimum is \$33.26. This exceeds the \$13.05 monthly benefit credit amount described in the previous paragraph based on your pay, so you would be credited with the greater amount, the \$33.26.

In 2005, however, assume your earnings were \$66,380 and you have over 13 years of vesting service. Applying the 1.75% formula would result in a benefit credit of \$96.80. This exceeds the \$47 annual minimum so you would receive a \$96.80 benefit credit for 2005. These alternate calculations are done for each year of your credited service and you receive the greater of the calculations each year.

After 1975, you earn a benefit credit for each calendar year in which you are an active RN (for at least part of the year) and you have at least 1,000 hours of service. Not all 1,000 hours have to be as an active RN. For example, if you had 570 hours of service while classified as a supervisory nurse and only 460 hours as a staff nurse, you would have met the 1,000-hour test. However, the amount of your benefit credit is based only on pay as an active RN. If you have 10 years of vesting service based on the 1,000 hours of service rule, you also earn a benefit credit for each calendar year after 1975 in which you are an active RN (for at least part of the year) and you have at least 832 hours but fewer than 1,000 hours of service.

For years after 1999, if you have at least one year of vesting service in a continuous period of employment ending after 1999 and you have a total of at least 25 years of vesting service, you earn a future benefit credit for each calendar year regardless of the number of your hours of service. (However, the second formula amount, the percentage of the appropriate dollar amount listed in the table on page 17, does not apply unless you meet the applicable 1,000/832 hours of service minimum requirement.) See also If You Become Disabled after 1999, page 13, with respect to benefit credits earned based on imputed pay and service for participants whose employment ends after December 31, 1999 because of disability.

Special rules apply for deciding if you earn a benefit credit in your first year of employment (or your first year of employment after a one-year break in service) if you do not have 1,000 hours of service in that year. Your hours of service for the fraction of the year are used to see if you would have reached 1,000 hours and are calculated as if you worked the same schedule for the full year. For example, if your initial employment date was October 1 and you had 200 hours of service during the fourth quarter of the year, your hours of service on an annual basis would be 800, and you would not earn a benefit credit for that year. However, if you had 250 hours of service during the fourth quarter, your hours of service on an annual basis would be 1,000, and you would earn a benefit credit for that year.

A special rule also applies for earning a benefit credit in the year employment ends, if it is after 1992. You will earn a benefit credit for your final year of employment, regardless of your hours of service in that year. If you have more than one termination of employment under the Plan, this rule applies only to the year of your most recent termination of employment.

NORMAL RETIREMENT EXAMPLE — CALCULATING BENEFIT CREDITS

Assume you stop working on January 2, 2011 and:

- You became an active RN on January 1, 1971.
- You worked full-time as an active RN from January 1, 1971 to January 1, 1976.
- From January 1, 1976 until your retirement on January 2, 2011 you had at least 1,000 hours of service in each year.
- Your W-2 earnings as an active RN from 1976 to 2010 were:

YEAR	AMOUNT(\$)	YEAR	AMOUNT (\$)
1976	\$14,759	1994	35,200
1977	15,000	1995	36,300
1978	15,400	1996	38,600
1979	15,700	1997	40,100
1980	16,100	1998	41,700
1981	17,000	Jan.—May 1999	17,900
1982	15,000	Jun.—Dec. 1999	25,000
1983	21,000	2000	50,457
1984	22,500	2001	55,503
1985	22,700	2002	61,053
1986	23,200	2003	62,885
1987	24,000	2004	64,770
1988	25,700	2005	66,715
1989	28,000	2006	68,716
1990	29,600	2007	72,151
1991	30,700	2008	74,315
1992	32,600	2009	76,545
1993	33,800	2010	80,372

Your benefit credits for normal retirement will be calculated as shown on the following page:

CALCULATING YOUR RETIREMENT BENEFIT (cont.)

YEAR AND CALCULATION	BENEFIT CREDITS
1971 – 1981 11 years x \$47.00	\$517.00
1982 \$15,000 ÷ \$17,682 x \$47.00	\$39.87
1983 – 1995 13 years x \$47.00	\$611.00
1996 1/12 of 1.5% of \$38,600	\$48.25
1997 1/12 of 1.5% of \$40,100	\$50.13
1998 1/12 of 1.5% of \$41,700	\$52.13
1999 1/12 of 1.5% of \$17,900 (Jan-May) 1/12 of 1.65% of \$25,000 (Jun-Dec)	\$22.38 \$34.38
2000 1/12 of 1.65% of \$50,457	\$69.38
2001 1/12 of 1.65% of \$55,503	\$76.32
2002 1/12 of 1.65% of \$61,053	\$83.95
2003 1/12 of 1.65% of \$62,885	\$86.47
2004 1/12 of 1.65% of \$64,770	\$89.06
2005 1/12 of 1.75% of \$66,715	\$97.29
2006 1/12 of 1.75% of \$68,716	\$100.21
2007 1/12 of 1.75% of \$72,151	\$105.22
2008 1/12 of 1.75% of \$74,315	\$108.38
2009 1/12 of 1.75% of \$76,545	\$111.63
2010 1/12 of 1.75% of \$80,372	\$117.21
TOTAL BENEFIT CREDITS	\$2,420.26

Your monthly retirement benefit at normal retirement (age 65) is the sum of your benefit credits accrued for each year of covered employment. That amount calculated in this example, which would be paid as a monthly benefit, is \$2,420.26.

IF YOU TRANSFER JOBS WITHIN YOUR PARTICIPATING EMPLOYER

Before transferring to a different job, you should make an effort to understand how the transfer will affect your pension benefits, as well as your coverage under other benefit plans (e.g., health and life insurance). You can obtain summary plan descriptions of the various plans from your participating employer for comparison purposes.

If you are an active RN and transfer to a different job within your participating employer where you are not working as an active RN, your service in the new job will continue to count in calculating your length of service under the Plan, but will not result in additional benefit credits. In your new job, you may be covered by a different pension plan of your participating employer. The other plan may recognize your service as an active RN in determining your length of service, but will not recognize your service as an active RN in determining the amount of the benefit payable under the new plan. The result would be that if you satisfied the length of service requirements of both plans, you would get a pension from two plans, but there would not be a duplication of benefits for the same service.

IF YOU ARE REEMPLOYED AFTER PENSION PAYMENTS BEGIN

If you are reemployed by a participating employer *after* you are age 65, your pension payments do not stop and you continue to earn benefit credits (see page 15). If you are rehired by a participating employer *before* you reach age 65 and your pension payments have already begun, the following special rules apply when you go back to work:

- If you are reemployed by a participating employer (whether at a covered location or a noncovered location) within two months following the date of your early retirement, your pension payments cannot start — or will stop if they already started — and will not start again until your employment ends again or until the first of the month after you reach age 65, if earlier.
- If you have 600 or more hours of service after your pension commenced or in any subsequent calendar year with one or more participating employers (whether at a covered location or a noncovered location), you are not entitled to any more payments for the rest of the year following the month in which you reached 600 hours. If you complete 832 or more hours of service during the year, your pension payments will not start until your employment ends or until the first of the month after you reach age 65, if earlier. You may also have accrued additional benefit credits for that year, subject to an offset (which may be equal to all or part of the additional benefit credits earned) for the actuarial value of pension payments you previously received. (It is possible that the amount of your monthly pension payment will not increase because of a full offset for the previous pension payments.) Otherwise, if you work 600 or more hours, but less than 832 hours during a calendar year, your pension payments will resume as of the first day of the following calendar year.
- If you are reemployed by an affiliate, your pension payments will not stop if they already started.

A list of the covered and noncovered locations of the participating employers is available from the Pension Committee (covered locations are listed on the last page of this summary plan description) and will be updated periodically. You must contact Wilson McShane to get the most current list published at the time of your reemployment to determine if that location is a participating employer. If you are reemployed by an employer who is not listed as a covered or noncovered location of a participating employer at the time of your reemployment (such as an affiliate or some other unrelated employer), your pension payments will not be interrupted. You will not be treated as being employed by a participating employer at any time during your period of continuous employment at that location, even if that location later becomes a location of a participating employer. For example, if you are reemployed at a location that was not a participating employer at the time you were reemployed (or on January 1, 2002, if later), and that location is later acquired by a participating employer, you will not be treated at any time as being reemployed by a participating employer according to these rules and, therefore, will experience no interruption of your pension payments.

NOTE: You must report your reemployment to the Pension Committee and state how many hours you expect to work by completing and returning the proper form to the Committee. You may also periodically be required to report the number of hours you are actually working. Your hours and earnings will also be included in the annual reports provided by each participating employer and affiliate to the Pension Plan. If any report shows that you have received a pension payment for a month for which you should not have received one, you will be required to return the payment to the trust fund. Your future pension payments may be reduced until the trust is fully reimbursed.

CALCULATING YOUR RETIREMENT BENEFIT (cont.)

When you stop working for a participating employer at the end of your period of reemployment, or when you reach age 65 while still working, your monthly pension payment is recomputed to take into account any benefit credits you may have earned during your period of reemployment

RECEIVING YOUR PENSION BENEFIT

You may tailor your retirement benefits to your needs by choosing from several payment options. Your choice of payment options must be made before you begin receiving benefits and may not be changed after payments begin. Your decision concerning a payment option may have significant tax consequences. Therefore, you may want to consult with a financial or tax advisor prior to making your selection.

Before you wish to begin receiving retirement benefits, you should contact the Pension Committee for information about your payment options. Once you have received all of the information, you will have a period of 90 days before your benefit starting date to complete and return the necessary payment election forms to the Pension Committee.

Keep in mind that if you are married, certain optional payment forms require your spouse's written consent, witnessed by a notary public. You may, with the consent of your spouse, change your election at any time before benefit payments begin. You *cannot* change the payment method after you begin receiving benefits.

NORMAL FORMS OF PAYMENT

Unless you choose otherwise, your monthly benefits will be paid according to an automatic form of payment. The form of payment depends on whether you are single or married on the date your payments are scheduled to begin. For single retirees, the automatic form of payment is a life annuity. For married retirees, the qualified joint and 50% survivor annuity is the automatic form of payment.

AUTOMATIC FORM OF PAYMENT	WHAT IS PROVIDED...
Life Annuity	Provides full monthly benefits to you as long as you live. When you die, all monthly payments end. Each monthly payment is equal to the total of your accrued benefit credits, unless reduced because payments begin before you reach age 65 (see page 15).
Qualified Joint and 50% Survivor Annuity	Provides reduced monthly payments to you for life, whether or not your spouse survives you. If you die before your spouse, 50% of your monthly amount will continue to your spouse for life. Your payments are reduced according to a formula that takes into account your age and your spouse's age at the time of your retirement.

NOTE: The qualified joint and 50% survivor annuity will only be paid to your surviving spouse if that person is the same person you were married to when your monthly payments began. If you begin to receive a monthly payment, your spouse dies and you remarry, your second spouse will not receive any payment from the Plan when you die.

You can elect a qualified joint and 75% or 100% survivor annuity for your spouse without the need for your spouse's consent. With the written consent of your spouse, you may elect to receive your pension in a form other than a qualified joint and survivor annuity. You must complete and return the proper form to the Pension Committee during the 90-day period before your benefit payments are scheduled to begin.

If you elect not to take the qualified joint and survivor annuity, or if you have decided to take this form and your spouse dies before your first monthly payment, your pension will be paid for your life only, unless you elect one of the other forms of payment described in the next section.

OPTIONAL FORMS OF PAYMENT

If you do not want the automatic form of benefit that applies to you, you may choose one of the following alternatives by notifying the Pension Committee. You must make this election in writing during the 90-day period before your benefit payments are scheduled to begin. If you are married and choose a form of payment other than the qualified joint and 50%, 75% or 100% survivor annuity with your spouse as the beneficiary, your spouse must provide notarized written consent to your choice of the optional payment form. You can revoke your election at any time before your benefit payments begin. Except as described under “Survivor Benefits” beginning on page 26, payments are made in an optional form only if you are living on the due date for your first pension payment.

OPTIONAL FORM OF PAYMENT	WHAT IS PROVIDED...
Life Annuity With 10 Years Certain	This option provides a reduced benefit payable for your life, but guarantees payments to your beneficiary if your death occurs within the guaranteed 10-year period after your retirement. If you die before receiving all 120 payments, your designated beneficiary will receive your monthly benefit for the balance of the period. If you receive monthly benefits for the full guaranteed period during your lifetime, no benefits will be paid after you die. The amount by which your benefit is reduced depends on your age when payments are scheduled to begin.
Joint and Survivor Annuity	This option provides a reduced benefit for your life. After your death, you may have 50%, 75%, or 100% of your reduced monthly benefit continued for the lifetime of your beneficiary. The amount of your benefit will be adjusted based on the percentage you choose to have continued, on your age and on your beneficiary’s age on the date benefit payments are scheduled to begin. The 75% survivor option may not be available if your beneficiary is not your spouse and is more than 19 years younger than you. The 100% survivor option may not be available if your beneficiary is not your spouse and is more than 10 years younger than you.
Social Security Adjustment	This option is available only in situations where your pension payments begin before you reach age 62. The objective is to have your total payment each month from the Plan and Social Security combined as nearly equal as possible both before and after you reach age 62 based on the assumption you will start Social Security benefits at age 62. It provides a larger than normal retirement benefit payment from the Plan before you reach age 62. A smaller than normal retirement benefit payment from the Plan is provided after you reach age 62. Your early Social Security benefit at age 62 is estimated and your payments from the Plan are calculated so they are the actuarial equivalent of the pension payable in equal monthly installments for your life only.

RECEIVING YOUR PENSION BENEFIT (cont.)

OPTIONAL FORM OF PAYMENT	WHAT IS PROVIDED...
Joint and Survivor Annuity With "Pop-Up"	This option is similar to the joint and survivor annuities described above. It provides a reduced benefit for your life. After your death, you may have 50%, 75%, or 100% of your reduced monthly benefit continued for the lifetime of your beneficiary. The amount of your benefit will be adjusted based on the percentage you choose to have continued, on your age and on your beneficiary's age on the date benefit payments are scheduled to begin. The difference is that if your beneficiary dies before you, the amount of the payment to you increases to the monthly payment you would have been receiving under a pension for your life only. Because the "pop-up" feature creates a possibility that a greater amount will be paid to you after your beneficiary's death, the payments to you while both you and your beneficiary are alive are less than under the joint and survivor annuity option described above.

PAYMENT OF SMALL AMOUNTS

If the monthly amount of your pension payment is \$100.00 or less, payments will be made in advance according to the following schedule:

MONTHLY AMOUNT	PAYMENT SCHEDULE
Less than \$25.00	Annually
\$25.01 to \$50.00	Semi-annually
\$50.01 to \$100.00	Quarterly

SURVIVOR BENEFITS

Once you are vested, you have a right to receive benefits from the Plan, payable in the form you choose when you reach retirement age. Survivor benefits may be paid if you die *before* benefit payments begin. The benefit paid depends on when your death occurs and whether or not you are married at the time you die. See the following chart for the benefits your spouse would receive if you die before your pension benefits begin. The chart on page 28 shows what is paid if you are not married at the time of your death.

NOTE: If you are not vested before you die, no benefits are paid. If you die after you begin receiving benefit payments, survivor benefits will be paid only if you had elected a payment form that provides for continued benefits (i.e., a joint and survivor annuity). See pages 24 through 26 for details about your payment options.

If You're Married When You Die

IF YOUR DEATH OCCURS ...	YOUR SPOUSE WILL RECEIVE*...
<p>After you retire (normal, early or disability) but before pension payments begin</p>	<p>Payments as though the qualified joint and 50% survivor annuity (see page 24) had gone into effect immediately before your death. However, after you retire, but before payments begin, you can elect a form of payment other than the qualified joint and 50% survivor annuity if your spouse consents. In this case, you can elect to have a benefit paid to your survivor under any of the optional forms (see pages 25 and 26).</p>
<p>While you are employed by a participating employer and after you reach age 55 and you have at least 10 years of vesting service (or after you satisfy the Rule of 85)</p>	<p>A lifetime monthly benefit equal to 50% of your accrued benefit credits. Payments to your spouse begin the first of the month following your death.</p>
<p>Before you are eligible for early retirement (but you have at least five years of vesting service)</p> <ul style="list-style-type: none"> • If you die before 55: • If you die after 55: 	<p>A lifetime monthly benefit equal to an amount determined assuming you ended employment, elected a joint and 50% survivor annuity commencing after you reach age 55, then died. Payments begin the first of the month on or after you would have reached age 55.</p> <p>A lifetime monthly benefit equal to an amount determined assuming you ended employment, elected and commenced an immediate joint and 50% survivor annuity, and died. Payments to your spouse begin the first of the month following your death.</p> <p>NOTE: Payments are reduced for early retirement and for a joint and 50% survivor annuity because they are likely to be made over a longer period of time. To avoid reduced early retirement payments, your spouse can wait to receive payments until on or after the first of the month in which you would have turned age 65, but because the early commencement is subsidized, this is usually not to your spouse's advantage.</p>

** You must have been married to your spouse for at least one year at the time of your death for your spouse to receive survivor benefits.*

RECEIVING YOUR PENSION BENEFIT (cont.)

If You're Not Married When You Die

IF YOUR DEATH OCCURS ...	YOUR BENEFICIARY WILL RECEIVE...
After you reach age 40 and have at least 10 years of vesting service but before you are eligible for early retirement	<p>A single lump sum payment equal to the present value of the 50% survivor benefit that would have been paid for 10 years under a qualified joint and 50% survivor annuity, determined as if you had lived to age 55, started the qualified joint and 50% survivor annuity, and then died, with your beneficiary being figured as if he or she were your same-age spouse.</p> <p>On and after January 1, 2010, your beneficiary can request a direct rollover of this payment from the Plan to an inherited individual retirement account (IRA), including an inherited individual retirement annuity. (However, non-spouse beneficiaries cannot receive payments from the plan and roll over the payments themselves.) An "inherited IRA" is a special type of retirement arrangement under which the non-spouse beneficiary is treated as the beneficiary rather than the owner of the IRA.</p>
While you were employed by a participating employer and after you reach age 55 with 10 years of vesting service (or after you satisfy the Rule of 85)	<p>60 monthly payments equal to 85% of your benefit credits at the time of your death.</p> <p>On and after January 1, 2010, your beneficiary can request a direct rollover of these distributions from the plan to an inherited IRA.</p>
After you retire (normal, early or disability) but before pension payments begin	Payments according to the optional form of payment you elected. If you had a normal retirement but had not filed an optional election before your death, the single life annuity amount will be paid to your estate for the period from your normal retirement date to the date of your death, and no benefit will be paid after death.

NAMING OR CHANGING YOUR BENEFICIARY

Your beneficiary is the person or persons you name to receive your benefits from the Plan in the event you die. This can be one or more persons, including your spouse of less than one year. In some cases, your beneficiary can also be a trust. You can change your beneficiary(ies) at any time. If you are married and want to designate a beneficiary other than your spouse, your spouse must irrevocably consent in writing to the beneficiary designation. To name or change your beneficiary, you must file the appropriate form with the Pension Committee. Forms are available by contacting Wilson McShane at the number listed on page 34.

If you should die and there is no beneficiary on file with the Pension Committee, your beneficiary will be the first of the following in which there is a survivor (paid equally):

- your spouse,
- your children (including adopted children, but not stepchildren). If any children have died before you but leave children of their own, those grandchildren will take their parents' share,
- your parents,
- your brothers and sisters, or
- your estate.

HOW TO APPLY FOR BENEFITS

You must apply for benefits under the Pension Plan. This section describes how to file an application and what to do if an application is denied.

FILING AN APPLICATION

Before you wish to begin receiving pension benefits from the Plan, you should request a pension application by calling Wilson McShane at the number listed on page 34. Once your completed pension application is returned to Wilson McShane, an information packet will be mailed to you. This packet will provide you with estimated monthly benefit amounts under all payment options available under the terms of the Plan and a payment election form to select your payment option.

Although your payment election form cannot be accepted more than 90 days before the date you wish to start payments, you should start the application process three to four months prior to your retirement date. You may be required to provide documentation with your pension application, including your birth certificate, birth certificate of your spouse or beneficiary and marriage certificate (if married). If you cannot obtain your birth certificate, you should contact Wilson McShane at the number listed on page 34 to determine acceptable alternatives. Your completed pension application and payment election form will be submitted to the Pension Committee for approval.

If you are under age 65, your payments cannot begin until you terminate employment.

IF YOUR APPLICATION IS DENIED

If your application is denied, you will receive a written notice advising you of:

- the specific reason(s) for the denial,
- references to the specific provisions in the Plan on which the denial is based,
- a detailed description of any added documents or information needed to complete the application and an explanation of why the added information is needed, and
- an explanation of the review and appeal procedure, including your right to review any relevant Plan documents.

FILING AN APPEAL

You can appeal your denied application by submitting a written statement to the Pension Committee within 60 days of the date your denial was mailed (within 180 days in the case of a disability claim). Your written request for appeal must contain:

- a statement of the reason(s) for the appeal,
- references to the specific provisions in the Plan on which your appeal is based,
- the reasons you feel the application should be granted and evidence supporting each reason, and
- any other relevant documents or comments you wish to submit to support your appeal.

REVIEW OF APPEALS BY PENSION COMMITTEE

The Pension Committee reviews appeals of denied applications. They generally make a decision within 60 days after receiving your request for a review. A final decision should be made no later than 120 days after the Committee receives your appeal. A decision on a disability pension appeal is usually made within 45 days of when it is received, or within 90 days in special cases. The decision will be based on all the available evidence concerning your application and will give specific reasons and references to the Plan provisions that support the decision. If you or a beneficiary still believes that an application has been improperly denied, you or your

DISABILITY PENSION APPLICATIONS

In the case of a disability pension, the Pension Committee will review your application and send a reply within 45 days. If all or part of your disability pension application is denied, you will receive written notice of the denial. In addition to the information provided in the general written denial notice discussed on this page, the denial notice will give you:

- A statement of your right to bring a civil action under Section 502(a) of ERISA following a denial of your application on review.

- Your right to receive, upon your request, an explanation of the scientific or clinical judgment that was used in applying the terms of the Plan to your medical circumstances.

You may request copies of all documents, records and other information relevant to your denied disability pension application. You may also request access to:

- Any policy, statement or guidance concerning the denied benefit for your diagnosis, regardless of whether it was relied on in the denial.
- The identity of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the denial, regardless of whether the advice was relied on in the denial.

HOW TO APPLY FOR BENEFITS

beneficiary may have additional rights which are explained in the *Your Rights Under ERISA* section of this booklet.

PROCEDURE FOR RESOLVING DISPUTES ON ACCURACY OF HOSPITAL-REPORTED DATA

If you have a dispute regarding the accuracy or completeness of employment data reported by a participating employer, you should follow these steps to appeal:

1. You should first attempt to resolve the issue informally through the participating employer's Employee Benefits Department.
2. If the issue is not resolved and you wish to pursue it further, you, or the Minnesota Nurses Association on your behalf, must submit your claim in writing to the participating employer's Employee Benefits Department.
3. If it is not resolved within three months after you have filed the written claim, you, or the Minnesota Nurses Association on your behalf, may submit the claim for determination by a two-member panel made up of a representative of the participating employer and a representative of the Minnesota Nurses Association. You are an ex officio, non-voting member of the panel.
4. If the panel does not resolve the dispute within three months following submission of the claim to the panel, either the participating employer or the Minnesota Nurses Association may submit the issue for determination by an impartial arbitrator.
5. Any decision made by the panel (or arbitrator) will be final.

If the alleged error relates to data reported to you by the Pension Committee for the previous two years, the *participating employer* must prove the data is correct. If it relates to data reported to you more than two years previously, then *you* must prove that the data is incorrect. For this reason, it is very important for you to review the annual statements provided to you by the Pension Committee and address any errors you notice right away, rather than leave those errors until you begin the retirement process.

You or your employer, whichever of you has to present proof, must present evidence which includes objective, written documentation, such as pay stubs or payroll records, IRS Form W-2 or other tax statements, or Social Security Administration earnings reports.

HOW TAXES AFFECT YOUR BENEFITS

Pension benefits paid to you are taxable income. You may elect whether or not to have taxes withheld. If you do not return your election form, federal income tax will be withheld automatically. The Plan will also, upon your request, withhold state of Minnesota taxes. The Plan will not withhold taxes of other states. Withholding is applied as if the payments were wages. If you elect not to have withholding apply, or even if you do elect withholding, you may still owe taxes on the payments. You are responsible for payment of any taxes associated with the payments.

Tax laws change from time to time, and the tax impact of receiving payments from the Plan will vary with your individual situation. Because the Pension Committee cannot give tax advice or counsel, you should consult a professional tax advisor or financial expert for specific advice about your circumstances.

SOCIAL SECURITY BENEFITS

Throughout your working career, both you and your participating employers contribute toward your Social Security benefits through payroll taxes. These benefits are in addition to your Pension Plan benefits and provide you with an important source of retirement income.

If you were born on or before January 1, 1938, your full Social Security benefits may have begun at age 65. If you were born later than that date, your full Social Security benefits may begin between ages 65 and 67, depending on your birth date. You may begin receiving reduced Social Security benefits at age 62. The age at which you become eligible for Medicare remains at 65.

If you are married, your spouse also is entitled to receive Social Security benefits based on either your pay or his or her pay — whichever produces the greater benefit.

Congress may make changes to Social Security and Medicare eligibility. It is important to contact the Social Security Administration not later than the January prior to your anticipated retirement date to discuss your Social Security benefits.

You will not receive Social Security benefits automatically. You must apply for them. For more information about your Social Security benefits and how to apply for them, contact your local Social Security office. The national toll-free number for Social Security is 1-800-772-1213.

OTHER PLAN INFORMATION

NONASSIGNMENT OF BENEFITS/QUALIFIED DOMESTIC RELATIONS ORDER (QDRO)

You cannot transfer, assign or pledge to another person the benefits payable to you. However, benefits will be paid to someone else if the Plan receives a valid Qualified Domestic Relations Order (QDRO).

A QDRO is an order from a state court that meets certain legal specifications and directs the Plan administrator to pay all or a portion of a participant's Plan benefits to a spouse, former spouse or dependent child. You will be notified immediately if an attempt is made to assign your benefits through a court order.

You may receive, at no charge, a copy of the Plan's procedures for determining whether a domestic relations order is qualified by contacting the Pension Committee. The Pension Committee has developed approved model QDROs that work with this Plan. In the event that you should need a copy of a QDRO form, contact Wilson McShane at the number listed on page 34.

PAYMENT TO MINORS

If anyone entitled to income from the Plan is a minor or is judged to be physically or mentally incompetent, the Pension Committee may pay the income to someone else for the benefit of the recipient (to a legal guardian, for example).

OTHER PLAN INFORMATION (cont.)

CONTINUANCE OF THE PLAN

Although it is expected the Plan will continue indefinitely, the participating employers reserve the right to amend or terminate it at any time and for any reason by joint action of the participating employers. However, in the collectively bargained Pension Agreement, the participating employers have agreed not to amend or terminate the Plan without the consent of the Minnesota Nurses Association.

If the Plan should ever be terminated, the assets in the Plan will be used for the exclusive benefit of Plan participants and their beneficiaries. If the Plan terminates, you will become 100% vested in your benefits.

WITHDRAWAL OF A PARTICIPATING EMPLOYER

Just as it is expected that the Plan will continue indefinitely, it is also expected that each participating employer will continue its participation in the Plan. However, since future conditions cannot be foreseen, the Plan covers the possibility that a participating employer might withdraw from the Plan. Situations in which a participating employer could withdraw from the Plan without the consent of Minnesota Nurses Association are limited by the collectively bargained Pension Agreement. If your participating employer should ever withdraw from the Plan, future service with that employer will not count as service under the Plan for purposes of determining your years of vesting service or benefit credits.

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Your pension benefits under this multiemployer Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33. The PBGC's maximum guarantee limit is \$35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be \$12,870.

The PBGC guarantee generally covers:

- normal and early retirement benefits,
- disability benefits if you become disabled before the Plan becomes insolvent, and
- certain benefits for your survivors.

The PBGC guarantee generally *does not* cover:

- benefits greater than the maximum guaranteed amount set by law,
- benefit increases and new benefits based on Plan provisions that have been in place for fewer than five years at the earlier of: (i) the date the Plan terminates or (ii) the time the Plan becomes insolvent,
- benefits that are not vested because you do not have at least five years of vesting service with a participating employer,
- benefits for which you have not met all of the requirements at the time the Plan becomes insolvent, and
- non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask the Plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll free at 1-800-877- 8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at www.pbgc.gov.

YOUR RIGHTS UNDER ERISA

As a participant in the Twin City Hospitals — Minnesota Nurses Association Pension 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 the following rights:

Receive Information About Your Plan and Benefits

- You may examine, free of charge, all documents governing the Plan, including the Plan document, trust agreement, collectively bargained Pension Agreement and the latest annual report (Form 5500 series). These documents are available at the Plan administrator's office, the human resources department of each participating employer and at the offices of the Minnesota Nurses Association. The annual report also is filed with the U.S. Department of Labor and is available at the Public Disclosure Room of the Employee Benefits Security Administration.
- You may obtain copies of all documents governing the operation of the Plan, including updated summary plan descriptions by writing to the Plan administrator. The Plan administrator may make a reasonable charge for the copies.
- You may receive the Plan's annual funding notice. The Plan administrator is required by law to furnish each participant with a copy of the annual funding notice that is also filed with the Pension Benefit Guaranty Corporation.
- You may obtain a statement, free of charge, 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 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.

Prudent Actions by Plan Fiduciaries

- In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for operating the Plan. These people are called "fiduciaries" of the Plan. They have a duty to act 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 to which you are otherwise entitled or from exercising your rights under ERISA.

Enforcement of Your Rights

- If your claim for a benefit is denied or ignored, in whole or in part, the Plan administrator must give you a written explanation of the reason for the denial. You can obtain copies of documents relating to the decision, without charge. You also have the right to have the Plan administrator review and reconsider your claim, all within certain defined time schedules.
- Under ERISA there are steps you can take to ensure the above rights. For instance, if you request materials from the Plan administrator 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.

YOUR RIGHTS UNDER ERISA (cont.)

- If your claim for benefits is denied or ignored, in whole or in part, you may file suit in a state or federal court. If 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 (for example, if the court finds your claim is frivolous), it may order you to pay these costs and fees.

Assistance with Your Questions

If you have any questions about this Plan, you should contact the Plan administrator. If you have any questions about this statement or 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 contact 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 may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration or by logging on to the Employee Benefits Security Administration web site at www.dol.gov/ebsa.

ADMINISTRATIVE INFORMATION

TWIN CITY HOSPITALS — MINNESOTA NURSES ASSOCIATION PENSION PLAN	
PLAN NAME	
Type of Plan	A multiemployer defined benefit plan providing pension benefits to eligible participants and their beneficiaries.
Effective Date	The effective date of the original plan was January 1, 1962.
Plan Year	The Plan year is the 12-month period from January 1 through December 31.
Plan Funding	Your pension benefits are provided at no cost to you. The Plan is completely funded by contributions from participating employers which are placed in a trust for the benefit of participating employees.
Pension Committee	A six-member group — three members appointed by the Minnesota Nurses Association and three members appointed by the participating employers — with all duties, rights and powers necessary to administer the Plan.
Plan Administrator	The Pension Committee Twin City Hospitals — Minnesota Nurses Association Pension Plan c/o Wilson McShane, 3001 Metro Drive, Suite 500 Bloomington, MN 55425, (952) 854-0795, (800) 535-6373 The Pension Committee has contracted with Wilson McShane to handle the routine administrative matters of the Plan (address shown above).
Minnesota Nurses Association	Minnesota Nurses Association 345 Randolph Avenue, Suite 200 St. Paul, MN 55102, (651) 414-2800, (800) 536-4662

TWIN CITY HOSPITALS — MINNESOTA NURSES ASSOCIATION PENSION PLAN	
PLAN NAME	TWIN CITY HOSPITALS — MINNESOTA NURSES ASSOCIATION PENSION PLAN
Plan Trustee	Trustee, Twin City Hospitals — Minnesota Nurses Association Pension Plan, Wells Fargo Bank National Association, 90 South Seventh Street, Minneapolis, MN 55402
Agent for Service of Legal Process	Wilson McShane (address shown above) has been designated as agent for the service of legal process. Service of legal process may also be made upon: Chairperson, Pension Committee Twin City Hospitals — Minnesota Nurses Association Pension Plan c/o Wilson McShane (see Plan administrator address above) Or Trustee, Twin City Hospitals — Minnesota Nurses Association (see Plan trustee address above)
Plan Number	001
Pension Committee's Taxpayer Identification Number (TIN)	41-6184922

GLOSSARY OF TERMS

Accrued Monthly Pension

The total amount of your benefit credits earned at any given time is sometimes called your accrued monthly pension. The accrued monthly pension is a monthly payment for your life, payable at age 65.

Active RN

A registered nurse who is:

- licensed in Minnesota to practice professional nursing,
- employed at a covered location by an employer that participates in the Plan,
- a member of a collective bargaining unit represented by Minnesota Nurses Association, and
- employed at a hospital as a staff nurse or assistant head nurse, or if employed at some other health care enterprise, is employed to provide one or more kinds of patient care in the practice of professional nursing that is provided by staff nurses or assistant head nurses. (With respect to service prior to January 1, 1984, head nurses were also considered active RNs eligible to participate in the Plan.)

A registered nurse may also be considered an active RN while practicing professional nursing under a permit from the Minnesota Board of Nursing or while on a leave of absence from employment. Certain RNs who transferred from the Riverside Campus of Fairview-University Medical Center to the University Campus in 1998 were allowed to continue as active RNs under the Plan even though the University Campus is not a covered location.

GLOSSARY OF TERMS (cont.)

If a registered nurse practiced professional nursing without a license before licensure became mandatory (July 1, 1960) as a general duty or staff nurse, assistant head nurse, or head nurse, that service is recognized as service as an active RN if it was with a participating employer.

Affiliate

Any health care enterprise or other trade or business entity under common control with a participating employer, or under common control with a predecessor employer. Most participating employers and most affiliates are corporations. If the corporation that is the participating employer is related to another corporation through 80% or more control, the other corporation is an affiliate.

Beneficiary

The person(s) you name to receive your benefits (if any) after you die. If you are married, your spouse is automatically your beneficiary.

Benefit Credits

Dollar credits determined each year that will be added together to form your accrued monthly pension.

Break in Service

A calendar year in which you have no hours of service is considered a one-year break in service.

Covered Locations

The participating employers operate multiple hospitals and other health care enterprises. Not all locations are covered locations. See the definition of noncovered locations below and on page 6. Covered locations are those locations where registered nurses earn benefit credits under this Plan. Covered locations are determined by collective bargaining agreements between participating employers and the Minnesota Nurses Association. The covered locations are in eleven counties — Hennepin, Ramsey, Washington, Dakota, Anoka, Scott, Carver, Chisago, Isanti and Wright counties in Minnesota and St. Croix County in Wisconsin. See the last page of this booklet for a list of covered locations.

Early Retirement Date

The date you are eligible for an early retirement pension.

Early Retirement Pension

The pension you receive if you satisfy the Rule of 85 or retire as early as age 55 after completing at least 10 years of vesting service. See the definition of the Rule of 85 on page 37.

Hour of Service

Hours of service are used to determine years of vesting service and breaks in service. They are also important in determining eligibility to earn benefit credits. They are based on hours during the annual W-2 withholding period ending in the calendar year.

Leased Employee

Any person who is not an employee of a participating employer, but who has performed services for the participating employer — under direction or control of the participating employer — on a full-time basis for a period of at least one year.

Noncovered Locations

Some participating employers have other facilities that are operated by the same employer but are not covered by the Plan. These facilities are called noncovered locations.

Normal Retirement Pension

The pension you receive if you retire at age 65.

Participant

You are considered a “participant” of the Twin City Hospitals — Minnesota Nurses Association Pension Plan if you meet the eligibility requirements listed on page 5.

Participating Employers

The participating employers are the corporations that operate the hospitals and other health care enterprises that are the covered locations under the Plan. See the last page of this booklet for a list of participating employers and covered locations.

Predecessor

Before being covered by the Plan, a facility may have been operated by a different employer than the employer that adopts the Plan. If this is the case, some or all of your service at that facility while operated by the previous employer may be counted in determining your status under the Plan. Your previous employer would be referred to as a “predecessor.” The extent to which service with a predecessor is recognized is determined at the time an employer adopts the Plan and is based on the facts and circumstances of each case.

Rule of 85

The Rule of 85 allows you to have an early retirement without a reduction for early commencement of benefits. You qualify for the Rule of 85 if your age plus your years of vesting service at the time your employment ends is at least 85.

Spouse

The person to whom you are legally married when you begin receiving your benefit or at the time of your death if you die while actively employed (must have been married for at least one year before your death).

Termination of Employment

A termination of employment means you are no longer working (in any capacity) for any participating employer, affiliate or predecessor. If you leave your job and move to another job with a participating employer within two months, there would be no termination of employment for purposes of this Plan.

Vested Termination

A vested termination occurs if you leave employment with a participating employer or affiliate after you have at least five years of vesting service.

Vesting

Determines whether you are eligible to receive a benefit. You are vested after you complete five years of vesting service.

W- 2 Earnings

The amount reported on your Form W-2 as includible in gross income plus any tax exempt amount paid by your participating employer under a cafeteria plan (including a health care or dependent care reimbursement account), a tax sheltered annuity, or a tax sheltered custodial account pursuant to a salary reduction arrangement. Your W-2 earnings also include the amount of pay you would have received for hours not worked on account of military service or, for 1992 and subsequent years, for service on a negotiating committee, the Pension Committee, or a task force. See page 10 for special rules with respect to W-2 earnings for periods in which you are receiving Workers’ Compensation. See page 13 for rules with respect to W-2 earnings that may be credited during periods in which you are determined to be disabled by the Social Security Administration.

COVERED LOCATIONS OF PARTICIPATING EMPLOYERS

ALLINA HEALTH SYSTEM, a corporation

Covered Locations:

Abbott-Northwestern Hospital, including Kenny Rehabilitation Institute

800 East 28th Street at Chicago Avenue
Minneapolis, MN 55407

Buffalo Hospital

(Effective January 1, 2011)
303 Catlin Street
Buffalo, MN 55313

Cambridge Medical Center

(Effective January 1, 2011)
701 South Dellwood Street
Cambridge, MN 55008

Mercy Medical Center

4050 Coon Rapids Boulevard
Coon Rapids, MN 55433

Phillips Eye Institute

2215 Park Avenue
Minneapolis, MN 55404

River Falls Area Hospital

(Effective January 1, 2011)
1629 East Division Street
River Falls, WI 54022

St. Francis Regional Medical Center

1455 St. Francis Ave.
Shakopee, MN 55379

United Hospital

333 North Smith Avenue
St. Paul, MN 55102

Unity Hospital

(Effective January 1, 2009)
550 Osborne Road
Fridley, MN 55432

BLAZE HEALTH, LLC, a Minnesota limited liability company

Covered Location:

Blaze Health

(Effective January 1, 2020)
3300 Oakdale Avenue North
Robbinsdale, MN 55422

CHILDREN'S HOSPITALS AND CLINICS of MINNESOTA, a corporation

Covered Locations:

Children's — St. Paul

345 North Smith Avenue
St. Paul, MN 55102

Children's — Minneapolis

2525 Chicago Avenue South
Minneapolis, MN 55404

FAIRVIEW HEALTH SERVICES, a corporation

Covered Locations:

M Health Fairview University of Minnesota Medical Center — West Bank

2450 Riverside Avenue
Minneapolis, MN 55454

M Health Fairview Southdale Hospital

6401 France Avenue South
Edina, MN 55435

M Health Fairview Bethesda Hospital

559 Capitol Boulevard
St. Paul, MN 55103

M Health Fairview St. John's Hospital

1575 Beam Avenue
Maplewood, MN 55109

M Health Fairview St. Joseph's Hospital

69 West Exchange Street
St. Paul, MN 55102

NORTH MEMORIAL HEALTH CARE, a corporation

Covered Location:

North Memorial Medical Center

3300 Oakdale Avenue North
Robbinsdale, MN 55422

PARK NICOLLET METHODIST HOSPITAL, a corporation

Covered Location:

Methodist Hospital

6500 Excelsior Boulevard
St. Louis Park, MN 55426