

The University of Pennsylvania Health System Retirement Contribution and 403(b) Matching Plan

Summary Plan Description

APPENDIX B

Eligible Employees of the Tax-Exempt Employers of the University of Pennsylvania Health System

(employees other than those employed by
Clinical Health Care Associates of New Jersey, P.C. and Turk's Head Health Services, Inc.)

Effective January 2021
Last Revised January 1, 2024

The information contained in this Appendix, combined with the main booklet summary, applies to eligible employees of the tax-exempt employers of the University of Pennsylvania Health System. If you are an eligible employee, as described in the section titled “Who is Eligible” in the main booklet summary, working for a tax exempt employer of the University of Pennsylvania Health System (an “**Eligible Employee**” for purposes of this Appendix), this Appendix applies to you.

Other Appendices apply to different groups of eligible employees. For example, employees of Clinical Health Care Associates of New Jersey, P.C. and Turk's Head Health Services, Inc. are not covered by this Appendix. If you have any questions about whether this Appendix applies to you, please contact your applicable Retirement Department.

The SPD for the Plan is made up of the main booklet summary and this Appendix. Both the main booklet summary and this Appendix must be read together.

If you believe you are entitled to a benefit that you have not received, or if you disagree with any determination made by the Retirement Committee regarding your benefit (such as the amount of your benefit or how it is calculated), you may submit a claim for benefits under the Plan. However, the period for submitting a claim for benefits is limited. If you fail to make a timely claim for benefits or you fail to timely appeal a claim, you may lose your right to those benefits. For important information regarding the process for submitting a claim for benefits and the deadlines for submitting such a claim, see the “Claims Procedure” section of the main booklet summary.

EMPLOYEE CONTRIBUTIONS

As an Eligible Employee who is employed by a tax-exempt employer of the University of Pennsylvania Health System, you are not eligible to make Employee Contributions to this Plan. Instead, you are eligible to make Employee Contributions to the 403(b) Retirement Savings Plan. However, you may be eligible to receive Employer Contributions in this Plan. Please see the discussion in the section titled “Employer Contributions” below.

Even though you are not eligible to make Employee contributions to the Plan, it is important that you log into your account on Fidelity NetBenefits® at www.netbenefits.com/uphs or call Fidelity at 1-800-343-0860 when you become an Eligible Employee to make your beneficiary elections (see the “Naming a Beneficiary” section in the main booklet summary) and to provide instructions on how your Plan account will be invested.

ELIGIBLE COMPENSATION

The amount of your Plan benefits, that is, the amount of Employer Contributions that you are eligible to have contributed to your Plan account, is based on your eligible compensation. For Plan purposes, the term “**eligible compensation**” generally means your basic salary or wages, overtime pay, and other types of direct pay (such as vacation, holiday, and sick pay) reported on your IRS Form W-2. Eligible compensation does not include expense reimbursements or other expense allowances, the value of fringe benefits (cash and non-cash), moving expenses, deferred compensation, welfare benefits, and such other items of compensation as may be excluded pursuant to Treasury Regulations Section 1.414(s)-1(c)(3), and all wages paid in a separate check or direct deposit (or a similar non-regular payroll cycle). However, your eligible compensation will include any “elective deferrals” that are deducted from your pay on a pre-tax basis (for example, pre-tax contributions to a 403(b) plan or a 401(k) plan) and “elective contributions” (for example, pre-tax amounts contributed to pay for qualifying health and welfare benefits). Eligible compensation only includes those amounts earned during the portion of the year in which you are an “eligible employee” and certain compensation for a limited period after your termination of employment.

The amount of your eligible compensation that can be taken into account for purposes of calculating Employer Contributions is limited under the Code. For a description of these limits, please see the section titled “Limits on Contributions” in the main booklet summary.

EMPLOYER CONTRIBUTIONS

Employer Contributions are based on the definition of eligible compensation described above.

General Eligibility Requirements to Receive Employer Contributions

If you are an Eligible Employee, you are eligible to receive employer matching, basic, and discretionary contributions as of the first day of the calendar quarter (January 1, April 1, July 1, or October 1) after completing one year of service, if during that year you have completed 1,000

or more hours of service in the 12-month period beginning on the date of hire (or in a subsequent calendar year) and, for periods before April 1, 2021, after reaching age 21. (On and after April 1, 2021, Eligible Employees are no longer required to be at least age 21 to receive Employer Contributions.) Please see the section of the main booklet summary titled “Vesting and Service” for a description of how service is counted under the Plan.

Please note that additional or different requirements may be required in order to receive Employer Contributions for an applicable year. Please see the discussions below addressing any additional eligibility requirements for Employer Contributions.

Matching Contributions

If you satisfy the general eligibility requirements to receive Employer Contributions described above, and if you make pre-tax and/or Roth contributions to the 403(b) Retirement Savings Plan, you will receive a matching contribution from UPHS equal to 100% of your pre-tax and/or Roth contributions contributed to the 403(b) Retirement Savings Plan, up to a maximum of 2.5% of your eligible compensation for the year. (Note: Compensation earned before you were eligible to participate in the Plan will not be counted for purposes of determining this matching contribution.)

Matching contributions apply to both pre-tax and Roth contributions to the 403(b) Retirement Savings Plan and are made to this Plan on a pre-tax basis. If you make Roth contributions to the 403(b) Retirement Savings Plan, the matching contributions you receive will still be made on a pre-tax basis.

The matching contributions will be made to the Plan at least once each plan year and, in any event, not later than the date UPHS is required to file its federal income tax return for the plan year. However, UPHS may decide to make its matching contributions more frequently and/or earlier. In recent years, UPHS has made its matching contributions each pay period.

While matching contributions generally will be determined on the basis of your Employee Contributions to the 403(b) Retirement Savings Plan each payroll period, UPHS may make a “true-up” matching contribution at the end of the year that is based on your total Employee Contributions to the 403(b) Retirement Savings Plan for the year (no true-up matching contribution will be made to you unless the true-up matching contribution equals or exceeds \$1.00). For the avoidance of doubt, these true up matching contributions will only be made for those periods during which you were eligible to participate in this Plan. The true-up contribution may apply if, for example, you did not contribute anything to the 403(b) Retirement Savings Plan for a portion of the year and then you contributed 10% of your eligible compensation to the 403(b) Retirement Savings Plan for another portion of the year. However, under no circumstances will you receive a matching contribution for the year that exceeds 100% of your pre-tax and/or Roth contributions under the 403(b) Retirement Savings Plan up to a maximum of 2.5% of your eligible compensation for the year.

Basic Contributions

If you have completed 1,000 or more hours of service during the calendar year *and* you are employed as an Eligible Employee on the last day of the calendar year, you will receive a basic contribution equal to 4% of your eligible compensation for the year as an Eligible Employee. (Note: Compensation earned before you were eligible to participate in the Plan will not be counted for purposes of determining this basic contribution.)

If you terminate employment during a calendar year due to termination of employment after age 65 (or, for basic contributions made for years beginning before January 1, 2021, termination of employment after age 55 with at least five years of service), death (including while in active military service), total and permanent disability, or involuntary termination that is identified in written communications by UPHS as a reduction in force, your account still will receive this contribution even though you are not employed on the last day of the calendar year.

Please see the discussion in the main booklet summary titled “Vesting and Service” for more information on how your services is counted for eligibility to receive basic contributions.

VESTING

As described in the main booklet summary under the heading titled “Vesting and Service,” vesting and service are important to determining your nonforfeitable right to benefits under the Plan. You will be fully vested in any Employer Contributions made to the Plan on your behalf after you have competed three years of service, as follows (a year of service requires the completion of 1,000 hours of service during the calendar year):

Years of Service	% Vested
0-1	0%
1-2	0%
2-3	0%
3+	100%

You will also become immediately fully vested if, while employed by UPHS or a related employer, you die (including if you die while on qualified military service), become totally and permanently disabled or reach age 65.