

Retirement Plan Transition to Prudential Retirement® Frequently Asked Questions

October 2019

1. What's happening?

Prisma Health selected Prudential Retirement® (Prudential) to serve as the recordkeeper for our Midlands team member retirement plans:

- 403(b) – Prisma Health – Midlands TSA Savings Plan
- 401(k) – Palmetto Health Matching Savings and 401(k) Plan
- 457(b) – Palmetto Health Section 457 Deferred Compensation Plan

Prisma Health is currently working closely with Prudential to transition these plans.

2. When will this happen?

We anticipate that these changes will be effective on **December 27, 2019**.

3. What will team members need to do?

The transition of accounts will occur automatically. No action will be needed on the part of Midlands team members. It's important, however, that team members read the upcoming communications about their account transition. There will be a brief "blackout period" beginning in late December when team members will not have access to their accounts while plans transfer to Prudential.

4. Why Prudential?

After an extensive search and audit, Prisma Health selected Prudential based on a number of factors, including their nearly 90 years of experience with retirement plans and programs. Prudential is a recognized leader in the healthcare retirement plan marketplace and offers a broad range of educational resources to enhance team members' retirement planning needs. We feel Prudential is a great fit within our benefits offering, and the improved services will help support team members in their pursuit of financial wellbeing.

5. Will the plans change as a result of the transition?

The following are changing:

- All Midlands active team members will follow the Prisma plan vesting schedule and will become **100% vested** in employer matching contributions.
- All team members contributing 0—2% to their 403(b) account will be **automatically enrolled** at a 3% contribution rate on February 1, 2020. (Team members may opt out of enrollment and contribution increase).
- Team members will all be enrolled in **Contribution Accelerator**, which will increase their account contribution rate by 1% each year on January 1 (beginning January 1, 2021) until they reach 10%. (Team members may opt out of Contribution Accelerator.)
- On-site retirement team counselors will be available in the Midlands on an ongoing basis to meet with team members, answer questions and help build personal retirement strategies. Look for more information on the new Midlands-dedicated retirement counselors.
- Team members will have an opportunity to invest in an enhanced array of investment options and **GoalMaker**[®], a free, optional asset allocation program, available at no additional cost, that helps make choosing an investment mix easier.
- The plans will offer enhanced financial wellness tools, like a Retirement Income Calculator, a financial wellness self-assessment, budget planner and debt manager. Access to a financial wellness education platform is built right into online retirement accounts, providing 24/7 access from your computer or mobile device.

6. What can team members expect in months ahead?

While the transition of team members' account balances will occur automatically, team members will receive several communications over the next several months:

- **Transition Packet:** In mid-November, team members will receive a comprehensive newsletter about the transition, including important dates and deadlines. Included in this mailing will be important regulatory notices and information about the new investments.
- **Online Informational Center:** In mid-November, we will also launch an online “informational center” that will provide news and updates on the plans' transfer.
- **Team member meetings:** Representatives from Prudential will conduct information sessions beginning in December to discuss the new resources and answer team member questions. More detailed information about these meetings will be shared in the months ahead.

7. Whom can team members contact with questions?

For questions about this transition, team members may contact benefits@prismahealth.org.

Please see next page for important disclosures.

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Participants using the Retirement Income Calculator should consider other assets, income and investments (e.g. equity in a home, Social Security benefits, individual retirement plan investments, etc.) when assessing the adequacy of the estimated income stream as provided by this tool. The Retirement Income Calculator is hypothetical and for illustrative purposes only and is not intended to represent performance of any specific investment, which may fluctuate. There is no assurance that retirement income objectives will be met. It is possible to lose money by investing in securities.

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