

SUMMARY PLAN DESCRIPTION
FOR THE
VIRGINIA MASON MEDICAL CENTER RETIREMENT PLAN

As in effect January 1, 2017

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**VIRGINIA MASON MEDICAL CENTER
RETIREMENT PLAN
SUMMARY PLAN DESCRIPTION**

Virginia Mason Medical Center (the “Employer”) maintains a retirement plan (the “Plan”) to help provide for your retirement. Over the years, the Plan has been amended to incorporate changes required by applicable law and to make other changes.

The Plan was most recently amended and restated effective January 1, 2015. This Summary Plan Description describes the Plan as of January 1, 2017 (except as otherwise specifically stated), and supersedes previously Summary Plan Descriptions and Summaries of Material Modifications. However, the benefits of participants who terminated employment prior to January 1, 2017, are generally governed by the provisions of the Plan that were in effect as of the date of their termination of employment.

The purpose of this summary is to explain how the Plan works, how you qualify for and ultimately receive Plan benefits, what benefits are available to you and what your rights are as a Plan participant. Please read this Plan summary carefully.

Because this is only a Plan summary, you may have questions or wish additional information. To obtain further information about the Plan, please contact the Benefits Specialist of Virginia Mason Medical Center.

If the language of this summary conflicts with the language of the Plan, the Plan will control.

VIRGINIA MASON MEDICAL CENTER

SECTION I. INTRODUCTION.

Why Does the Employer Have a Retirement Plan?

The Virginia Mason Medical Center (referred to as the “Employer” in this Summary Plan Description), sponsors this Retirement Plan to help provide for your retirement. This Plan was also previously sponsored by the former The Mason Clinic Partnership, Virginia Mason Clinic, Virginia Mason Hospital, and Virginia Mason Health Plan. All Participants’ accounts are credited with contributions to their Plan accounts while they were eligible employees of the former partnership and while they were eligible Employees of Virginia Mason Clinic, Virginia Mason Hospital, and Virginia Mason Health Plan. In addition, all Participants’ accounts are credited with contributions to their Plan accounts while they are eligible Employees of Virginia Mason Medical Center.

Effective January 1, 1994, the Virginia Mason Clinic Retirement Plan and Virginia Mason Hospital Employees’ Defined Contribution Plan were merged into the Virginia Mason Clinic Retirement Plan and the merged plans were renamed the Virginia Mason Medical Center Retirement Plan (the “Plan”). Since that time, a number of amendments have been adopted. The Plan has most recently been amended and restated effective January 1, 2015. This summary describes the Plan as in effect on January 1, 2017, except as otherwise specifically stated. (Certain provisions that are effective January 1, 2018, are also described in this Summary Plan Description.)

The operation of the Employer’s Retirement Plan is described for you in the following pages.

SECTION II. ELIGIBILITY.

In order to be eligible to participate in the Plan, you must complete 1,000 Hours of Service with the Employer, be at least age 21, be in an eligible employment category, and not be a participant in the Virginia Mason Medical Center Defined Benefit Retirement Plan.

1. Which Employee Categories Are Eligible for the Plan?

All categories of employees (including Class A Members) are eligible to participate in the Plan, except for the following categories: (1) House Staff appointed by the Employer (see note below regarding January 1, 2018 eligibility), (2) individuals who are classified by the Employer as independent contractors (regardless of whether that classification is controlling for federal employment tax purposes or under any other applicable federal, state, or local law, and regardless of whether the individuals are classified differently by a court or any federal, state, or local agency), and (3) leased employees who performs services under an agreement between the Employer and a leasing organization. Note that effective January 1, 2018, House Staff will no longer be excluded from participating in the Plan.

2. What Are the Plan’s Other Eligibility Provisions?

If you are in an eligible employment category, you are eligible to participate in the Plan beginning on the Enrollment Date coinciding with or following the later of (a) your completion

of 1,000 Hours of Service within a 12-month Eligibility Computation Period (as defined below), and (b) your attainment of age 21, as long as you are still employed on that Enrollment Date and you are not a participant in the Virginia Mason Medical Center Defined Benefit Retirement Plan. Due to payroll cutoff dates, the Employer may measure service utilizing hours on an annual “payroll year.” Enrollment Dates are the first day of each calendar month.

Your initial Eligibility Computation Period is the 12-month period measured from your date of hire. If you do not complete 1,000 Hours of Service with the Employer during your first 12 months of employment, your Eligibility Computation Period will be the Plan Year (January 1 - December 31) beginning with the Plan Year that includes the first anniversary of your date of hire. If you complete 1,000 Hours of Service during this Eligibility Computation Period, and you are at least age 21, you will be eligible to participate in the Plan on the first day of the month which coincides with or follows your completion of the eligibility requirements.

If you are a salaried employee (including a Class A Member), you will receive credit for 190 Hours of Service if you are credited with at least one Hour of Service during a calendar month. Otherwise, you will receive credit for the actual hours for which you are paid or entitled to payment.

Example: Maria begins full-time work for the Employer on August 15, 2017, and reaches age 21 on November 15, 2017. On January 15, 2018, Maria completes 1,000 Hours of Service with the Employer. At that point, Maria has met the age and service eligibility requirements of the Plan. She will be enrolled as a Participant in the Plan on February 1, 2018 (the first Enrollment Date that occurs on or after her completion of 1,000 Hours of Service), if she is still employed on that date.

Example: John begins work for the Employer on June 1, 2017, and reaches age 21 on November 15, 2017. On May 31, 2018 (the last day of the 12-month period following his hire date), John has not completed 1,000 Hours of Service. His service will now be measured using the Plan Year beginning with the Plan Year that includes the first anniversary of his date of hire, May 31, 2018 (therefore January 1, 2018-December 31, 2018.) If John completes 1,000 Hours of Service between January 1, 2018 and December 31, 2018, he will be enrolled in the Plan on the first day of the month coinciding with or following his completion of 1,000 Hours of Service.

When crediting Hours of Service during a 12-month calendar period, the Employer uses hours in a “payroll year” (i.e., measured from the beginning of the first payroll period in the 12-month period to the end of the last payroll period in that 12-month period). The “payroll year” is often close to the calendar year or other measurement period but differs slightly due to payroll cutoff dates.

Certain non-highly compensated employees who were employed on a per diem basis between 1998 and 2001 also received credit for 190 Hours of Service if they were credited with at least one Hour of Service during a calendar month during those years. You have been notified if this applies to you.

3. What Happens If I Terminate Employment with the Employer and Am Later Rehired?

Generally, if you (a) have met the Plan's eligibility requirements, (b) terminate employment with the Employer, (c) incur a one-year break in service, and (d) are later rehired, you will become a Participant again immediately upon the date of your re-employment, when you complete one Hour of Service following re-employment. The Retirement Plan has an exception to this rule. If at the time you terminate employment you are entitled to no amount of your Employer Contribution Account(s) (your vested percentage under Section VII.2. is zero), then upon rehire you must complete the 1,000 Hours of Service eligibility requirement again if (a) the number of your consecutive one-year breaks in service is at least equal to the number of your Years of Service prior to the break, and (b) if the number of your consecutive one-year breaks in service is five years or more.

A one-year break in service is an eligibility computation period in which you are credited with less than 501 Hours of Service. You may avoid a one-year break in service if you are absent from work because of pregnancy, birth of a child, placement of a child for adoption or caring for a child immediately following birth or placement. You must provide the Virginia Mason Medical Center Compensation and Benefits Committee (the "Compensation and Benefits Committee") with proof that the absence was due to that reason.

4. Will I Receive Credit for Eligibility Purposes for My Prior Service with Another Entity?

If you are in an eligible employment category, then in determining whether you have completed 1,000 Hours of Service for eligibility purposes, you will receive credit for your service with the following entities, including time employed by the Employer in a House Staff capacity:

- (a) The predecessor The Mason Clinic Partnership;
- (b) Virginia Mason Clinic;
- (c) Virginia Mason Hospital Association;
- (d) Benaroya Research Institute at Virginia Mason (formerly known as Virginia Mason Research Center);
- (e) Virginia Mason Medical Foundation;
- (f) Virginia Mason Medical Center;
- (g) Virginia Mason Health Plan;
- (h) Mason Clinic Properties; and
- (i) Yakima Valley Memorial Hospital.

If you transferred from employment with Yakima Valley Memorial Hospital ("YVMH") to the Employer in connection with the YVMH affiliation or were employed by YVMH on or after January 1, 2016 and are later employed by the Employer, service credited with YVMH will be recognized by the Employer for eligibility purposes under this Plan.

Other Transactions for Which Prior Service Was Recognized.

If you were an employee of Mercer Island Primary Care Associates or Mercer Island Pediatric Associates and you transferred employment to the Employer in June 1994, at the time the assets of those medical practices were acquired by the Employer, you will receive credit for eligibility purposes for each Year of Service as an employee of Mercer Island Primary Care Associates or Mercer Island Pediatric Associates if you were an employee of the Employer on January 1, 1995. In that case, your Enrollment Date in this Plan is the later of January 1, 1995 or the Enrollment Date coinciding with or following the later of your completion of one Year of Service or your attainment of age 21.

If you were an employee of The Winslow Clinic, P.C. and you transferred to employment with the Employer as of January 1, 1995, you will receive credit for eligibility purposes for each Year of Service as an employee of The Winslow Clinic, P.C.

If you were an employee of Sand Point Pediatrics and you transferred employment to the Employer on July 1, 1995, at the time the assets of that medical practice were acquired by the Employer, you will receive credit for eligibility purposes for each Year of Service as an employee of Sand Point Pediatrics. In that case, your Enrollment Date in this Plan is the later of July 1, 1995 or the Enrollment Date coinciding with or following the later of your completion of one Year of Service or your attainment of age 21.

If you were an employee or partner of Port Angeles Clinic Partnership and you transferred employment to the Employer on November 1, 1995, at the time the assets of that medical practice were acquired by the Employer, or if you were an employee of Fidalgo Medical Associates, P.S., and you transferred employment to the Employer on December 11, 1995, at the time the assets of that medical practice were acquired by the Employer, you will receive credit for eligibility purposes for each Year of Service as an employee or partner of Port Angeles Clinic Partnership, or as an employee of Fidalgo Medical Associates, P.S. In that case, your Enrollment Date in this Plan is the later of January 1, 1996 or the Enrollment Date coinciding with or following the later of your completion of one Year of Service or your attainment of age 21.

If you were an employee of Group Health Cooperative who transferred employment to the Employer during the period from January 1, 1996 through December 31, 1997, and if you did not have a break in service of greater than 30 days between employment with those employers, you will receive credit for eligibility purposes for your Years of Service and Hours of Service as an employee of Group Health Cooperative. (If you became an employee of the Employer during this period but you also continued to be employed by Group Health Cooperative on a per diem or part-time basis, you will be treated as having transferred employment from Group Health Cooperative to the Employer without a break in service of greater than 30 days between employment with these employers.) If these Group Health Cooperative rules apply to you, your Enrollment Date in this Plan is the later of (a) the date on which you first complete an Hour of Service with the Employer, or (b) the Enrollment Date coinciding with or following the later of your completion of one Year of Service or your attainment of age 21. Your initial eligibility computation period will be measured from the date on which you first became an employee of Group Health Cooperative. However, you will not be eligible to participate in this Plan if you were a participant in the Group Health Cooperative of Puget Sound Retirement Income Credit

Plan immediately prior to transferring employment to the Employer and you irrevocably elected within a reasonable time after your transfer of employment to the Employer to participate in the Virginia Mason Medical Center Defined Benefit Retirement Plan instead of this Plan.

5. What Are the Effects of Participation in the Virginia Mason Medical Center Defined Benefit Retirement Plan?

If you are a participant in the Virginia Mason Medical Center Defined Benefit Retirement Plan (the “Defined Benefit Plan”), you will continue to be a participant in the Defined Benefit Plan (subject to the terms of that plan) and you will not be eligible to participate in this Plan. In that case, if you terminate employment with the Employer and are later rehired, you will begin participating in the Defined Benefit Plan once again (subject to the terms of that plan) and will not be eligible for this Plan.

However, if you were an employee of Virginia Mason Hospital Association who terminated employment prior to 1994 and you did not make an election as to whether to participate in the Defined Benefit Plan or this Plan, you will become a participant in this Plan following your re-employment by the Employer (subject to the normal eligibility provisions of this Plan), and you will not be eligible to participate in the Defined Benefit Plan after your rehire.

SECTION III. EMPLOYER CONTRIBUTIONS.

1. How Are the Employer’s Contributions to the Plans Determined?

The following describes the Retirement Plan provisions relating to Employer contributions, based in part on when you were hired by the Employer. You must be considered an “Active Participant” for a Plan Year to receive any Employer contributions for that Plan Year. (See Section III.2 below for further information.)

Employees on December 31, 1993. If you are a participant in the Retirement Plan who was an employee of Virginia Mason Clinic or the Virginia Mason Health Plan on December 31, 1993 and you continued employment with Virginia Mason Health Plan or Virginia Mason Medical Center on January 1, 1994 and thereafter, the Employer will contribute to the Retirement Plan on your behalf each Plan Year (January 1 to December 31) an amount equal to 6.3% of your compensation up to the Social Security Taxable Wage Base in effect on the first day of the Plan Year (e.g., \$127,200 for 2017) plus an amount equal to 12% of your eligible compensation for that year in excess of the Social Security Taxable Wage Base in effect on the first day of that Plan Year. You must also be considered an “Active Participant” (as described in Section III.2 below) in a Plan Year to receive an Employer contribution for that Plan Year.

Example 1: Adam was an employee of Virginia Mason Clinic on December 31, 1993 and continued his employment with Virginia Mason Medical Center on and after January 1, 1994. He has met the Retirement Plan’s eligibility requirements, and his eligible compensation for the 2017 Plan Year is \$35,000. The Employer’s contribution to the Retirement Plan on Adam’s behalf for the 2017 Plan Year is as follows, assuming he is an Active Participant for the 2017 Plan Year:

$$6.3\% \times \$35,000 = \$2,205.00$$

Example 2: Bonnie was an employee of Virginia Mason Clinic on December 31, 1993 and continued her employment with Virginia Mason Medical Center on and after January 1, 1994. She has met the Retirement Plan's eligibility requirements, and her eligible compensation for the 2017 Plan Year is \$130,000. The 2017 Social Security Taxable Wage Base is \$127,200, which means she earns \$2,800 in excess of the Social Security Taxable Wage Base. The Employer's contribution to the Retirement Plan on Bonnie's behalf for the 2017 Plan Year is as follows, assuming she is an Active Participant for the 2017 Plan Year:

$$(1) \quad 6.3\% \times \$127,200 = \$8,013.60$$

$$(2) \quad 12\% \times \$2,800 (\$130,000 - \$127,200) = \$336.00$$

The Employer's total contribution on Bonnie's behalf for the 2017 Plan Year will equal \$8,349.60 (\$8,013.60 + \$336.00).

Participants Hired After December 31, 1993. If you are a Plan participant who was hired by the Employer after December 31, 1993, or if you are a Participant who was an Employee of Virginia Mason Hospital on December 31, 1993 and you became a Participant in this Plan on January 1, 1994, the Employer will make the following contribution your behalf for a Plan Year:

(A) Until the Plan Year after the Plan Year in which you complete five (5) Years of Service for vesting purposes, you receive the following Employer contribution:

- (1) an amount equal to 3.5% of your compensation up to the Social Security taxable wage base in effect on the first day of the Plan Year, plus
- (2) an amount equal to 9.2% of your compensation in excess of the Social Security taxable wage base in effect on the first day of the Plan Year.

You must be considered an "Active Participant" (as described in Section III.2 below) in a Plan Year to receive an Employer contribution for that Plan Year.

Example 1: Carmen is a participant in the Retirement Plan hired after December 31, 1993, who has completed two (2) Years of Service for vesting purposes by 2017. The Social Security Taxable Wage Base in 2017 is \$127,200. In 2017, Carmen's eligible compensation is \$40,000. The Employer's contribution to the Retirement Plan on Carmen's behalf for the 2017 Plan Year is calculated as follows, assuming she is an Active Participant for the 2017 Plan Year:

$$3.5\% \times \$40,000 = \$1,400.00$$

Example 2: Deborah is a participant in the Retirement Plan hired after December 31, 1993, who has completed two (2) Years of Service for vesting purposes by 2017. In 2017, Deborah's eligible compensation is \$130,000. The Social Security Taxable Wage Base in 2017 is \$127,200. The Employer's contribution to the Retirement Plan on Deborah's behalf for the 2017 Plan Year is calculated as follows, assuming she is an Active Participant for the 2017 Plan Year:

- (1) $3.5\% \times \$127,200 = \$4,452.00$
- (2) $9.2\% \times \$2,800 (\$130,000 - \$127,200) = \257.60

The Employer's total contribution on Deborah's behalf for the 2017 Plan Year will equal \$4,709.60 (\$4,452.00 + \$257.60).

(B) If you were hired after 1993 (or if you were a Virginia Mason Hospital employee on December 31, 1993 who became a Participant in this Plan on January 1, 1994), you will receive the following Employer contribution for all Plan Years after the Plan Year in which you complete five (5) Years of Service for vesting purposes:

- (1) an amount equal to 6.3% of your compensation up to the Social Security taxable wage base in effect on the first day of the Plan Year, plus
- (2) an amount equal to 12% of your compensation in excess of the Social Security taxable wage base in effect on the first day of the Plan Year.

You must be considered an "Active Participant" (as described in Section III.2 below) in a Plan Year to receive an Employer contribution for that Plan Year.

Refer to Examples 1 and 2 under "Employees on December 31, 1993" above to see how contributions are calculated under this formula.

The timing of the increase in the level of the Employer contribution is illustrated by the following example:

Example: Eric is a Participant in the Retirement Plan hired on April 1, 2013. Assume Eric's compensation in all Plan Years will not exceed the Social Security Taxable Wage Base. He completes five Years of Service for vesting purposes in 2017. Eric will receive an Employer contribution equal to 3.5% of eligible compensation received while a Participant from April 1, 2014 (his Enrollment Date) through 2017. Starting in 2018, the Plan Year after Eric completes five (5) Years of Service for vesting purposes, and for each Plan Year thereafter, Eric will receive an Employer contribution equal to 6.3% of his eligible compensation received for that Plan Year.

"Social Security Taxable Wage Base" means your total earnings subject to Social Security tax determined as of January 1 in each year. The Employer's contribution on your behalf for the Plan Year in which you become a Participant is based on your total eligible compensation from the date you are enrolled in the Plan to the end of the Plan Year.

The Employer contributions on your behalf for any Plan Year cannot exceed the lesser of \$54,000 in 2017 (adjusted by the IRS in future years for the cost of living) or 100% of your compensation (before any 403(b) contributions and before any Code Section 125 cafeteria plan contributions or any Code Section 132(f)(4) qualified transportation fringe benefit plan contributions).

2. What Other Requirements Must I Meet to Be Eligible to Receive the Employer Contribution for a Plan Year?

You must be considered an “Active Participant” in a Plan Year to receive an Employer contribution for that Plan Year. To be considered an Active Participant so that you share in the Employer Contributions that are made for a particular Plan Year, you must have met the Plan’s eligibility requirements as described in Section II and you must complete 1,000 Hours of Service as an employee during that Plan Year and you must be employed by the Employer on the last day of a Plan Year. If you are a salaried employee (including a Class A Member), you will receive credit for 190 Hours of Service if you are credited with at least one Hour of Service during a calendar month. Otherwise, you will receive credit for the actual hours for which you are paid or entitled to payment. Due to payroll cutoff dates, the Employer may measure service on an annual payroll year instead of the calendar year.

When crediting Hours of Service during a 12-month calendar period, the Employer uses a “payroll year” (i.e., measured from the beginning of the first payroll period in the 12-month period to the end of the last payroll period in that 12-month period). The “payroll year” is often close to the calendar year or other measurement period but differs slightly due to payroll cutoff dates.

If you are actively employed by the Employer when you become disabled (as defined by the Plan), die, or retire at or after normal retirement age (65), you will not be required to complete 1,000 Hours of Service as an employee to be eligible to receive the Employer contributions for that Plan Year nor are you required to be employed by the Employer on the last day of the Plan Year.

3. Do I Receive Credit for My Years of Service with Another Entity for Purposes of Determining the Percentage of the Employer Contribution That I Will Receive?

You will receive credit for your Years of Service with certain other entities as described in Section VII, 3. of this Summary. In addition, the following service is credited:

If you transferred to employment with the Employer from The Winslow Clinic, P.C., Mercer Island Primary Care Associates, Mercer Island Pediatric Associates, Sand Point Pediatrics, Port Angeles Clinic Partnership, Fidalgo Medical Associates, P.S., Group Health Cooperative, or Yakima Valley Memorial Hospital and you are credited with Years of Service with that employer for vesting purposes under Section VII, 3. of this Summary, then you will receive credit for those Years of Service in determining the percentage of your compensation to be contributed to the Plan by the Employer for each year after you become a Plan participant. (See Section VII, 3. of this Summary Plan Description for information on the crediting of prior service for vesting purposes.)

4. What Is My Compensation for Plan Contribution Purposes?

Your compensation for Plan contribution purposes includes your salary or wages, bonuses, and overtime pay, before any salary reduction contributions you make to the

Employer's Code Section 403(b) tax-sheltered savings plan and before any salary reduction contributions to the Employer's flexible benefits plan and Code Section 132(f)(4) transportation fringe benefit plan (if applicable), including any chaplain's housing allowance. However, your compensation for Plan purposes excludes Employer contributions to this Plan or to any other retirement plan, premium pay in lieu of benefits, payments by the Employer (other than Code Section 125 salary reduction contributions) on account of medical, disability, and life insurance, any severance pay, and any compensation supplements paid to a Member or Administrator of the Employer or its predecessors in lieu of Supplemental Retirement Plan benefits. If the Employer makes differential wage payments to a participant in qualified military leave, the differential wage payment is considered eligible compensation for Plan purposes. A Participant's Compensation for any calendar year in excess of \$180,000 is not considered for Plan contribution purposes.

Effective January 1, 2008, certain eligible compensation received within 2½ months following termination of employment or the end of the Plan Year in which your termination of employment occurred, whichever is later, will be considered for purposes of determining Plan benefits.

5. Do I Receive Any Employer Contributions to the Plan for a Period of Qualifying Military Leave?

If you return to employment with the Employer after a period of qualifying military leave, you will be eligible to receive Employer contributions for the period of qualifying military leave, subject to the applicable laws governing military leaves. In that case, your compensation for Plan contribution purposes while on qualified military leave means the compensation you would have received during that leave if you were not in qualified military service.

SECTION IV. EMPLOYEE CONTRIBUTIONS.

1. May I Make Additional Contributions to the Retirement Plan?

No. Effective January 1, 2004, you will not be able to make any further voluntary nondeductible (after-tax) employee contributions to the Plan. However, any voluntary nondeductible employee contributions that you made to the Plan prior to January 1, 2004 will continue to be held in the Plan on your behalf.

If you made voluntary nondeductible employee contributions prior to 1987, your voluntary nondeductible employee contributions will be maintained in a separate pre-1987 Voluntary Nondeductible Employee Contribution Account and a separate post-1986 Voluntary Nondeductible Employee Contribution Account.

SECTION V. WITHDRAWAL OF CONTRIBUTIONS.

1. May I Withdraw the Employer's Contributions to the Retirement Plan?

You may not withdraw the Employer's contributions to the Retirement Plan until your termination of employment, retirement, death, disability or attainment of age 65. (See Section IX, Distribution of Benefits).

2. May I Withdraw My After-Tax Contributions from My Voluntary Nondeductible Employee Contribution Account?

You may take a withdrawal from your Voluntary Nondeductible Employee Contribution Account at any time. The amount of your withdrawal cannot be less than \$500 and cannot be more than your total voluntary nondeductible employee contributions not previously withdrawn, as adjusted for investment earnings and losses. If you have less than \$500 in your Voluntary Nondeductible Employee Contribution Account, you may withdraw the balance of your Voluntary Nondeductible Employee Account.

A married Participant's spouse must consent to a withdrawal from the Participant's Voluntary Nondeductible Employee Contribution Account. That consent must be witnessed by a Plan representative or a notary public.

Withdrawals will be made first from your Pre-1987 Voluntary Nondeductible Employee Contribution Account without earnings; second, from your Post-1986 Voluntary Nondeductible Employee Contribution Account with earnings; and, finally, from the earnings in your Pre-1987 Voluntary Nondeductible Employee Contribution Account. Withdrawals from your Post-1986 Voluntary Nondeductible Employee Contribution Account are treated as part taxable and part non-taxable. The percentage of a withdrawal that is attributable to your contributions is nontaxable, and the percentage attributable to earnings on those contributions is taxable.

In addition, if you take a withdrawal prior to attaining age 59-1/2, the portion of your withdrawal which is taxable will be subject to an additional 10% penalty tax on early withdrawals, unless you retire on or after age 55 and do not elect any withdrawals until then.

Example: Mary's Post-1986 Voluntary Nondeductible Employee Contribution Account balance consists of 90% contributions and 10% earnings. If Mary takes a complete withdrawal at age 50, 90% of the withdrawal will not be taxed. Because Mary has not attained age 59-1/2, the 10% of her withdrawal that is subject to tax will also be subject to a 10% income tax penalty on early withdrawals.

SECTION VI. INVESTMENTS.

1. How Are Contributions Invested?

The Virginia Mason Medical Center Investment Committee (the "Investment Committee") is appointed by the Virginia Mason Medical Center Finance Committee (the "Finance Committee") and is responsible for selecting the investment funds to be offered to Plan Participants and for monitoring the investment performance of those funds. The fiduciaries of

the Plan are not responsible for any loss that results from a Participant's exercise of control over the investment of his or her Plan accounts and are not responsible for diversification of the Participant's accounts to the extent the Participant directs the investment of his or her Plan accounts among the permitted Plan investment funds.

You may choose to invest your Plan Account(s) among one or more of the investment funds selected by the Investment Committee, which currently includes certain mutual funds, a fixed investment insurance contract with Principal Financial Group, and a self-directed investment fund called the Fidelity BrokerageLink Account. You will receive information on the available investment funds selected by the Investment Committee. You may allocate your Plan Account(s) among the permitted Plan investment funds in increments determined by the Investment Committee.

Reasonable administrative fees attributable to terminated Participants' Plan accounts may be charged to those accounts. Also, if you have a Fidelity BrokerageLink Account, Fidelity Brokerage Services may charge certain fees to your account, and such fees may reduce your overall investment return. More information regarding brokerage services and fees can be found by contacting Fidelity Investments at 1-800-343-0860.

The Fidelity BrokerageLink Account consists of separate, segregated Participant accounts. You may choose the Fidelity BrokerageLink Account for your Employer Contribution Account(s) and your Voluntary Nondeductible Employee Contribution Account(s) if you have at least \$2,500 in those Account(s) and you invest at least \$2,500 from those Account(s) in the Fidelity BrokerageLink Account. Each Participant electing the Fidelity BrokerageLink Account will be responsible for directing Fidelity Brokerage Services, Inc. regarding the investment of the portion of his accounts allocated to that fund.

If you have not already made an election as to how to invest your Plan account(s), we recommend that you review the available investment choices and select one or more investment funds that best meet your personal financial objectives. You may wish to consult with your own financial advisor to help you select the investment funds that are best for you.

If you do not make an investment election, the investment of your Plan account(s) will default to the investment fund or funds selected by the Investment Committee. Effective for contributions made to the Plan on or after January 1, 2006, including any contributions received for the 2005 Plan Year that are contributed in 2006, the Fidelity Freedom® Funds will be the default investment funds (currently, the Fidelity Freedom® Funds – Class K). However, the Principal Fixed Income Fund will continue to be the default investment fund for contributions made to the Plan prior to January 1, 2006. These funds are intended to be qualified default investment funds under applicable Department of Labor Regulations.

The Fidelity Freedom® Funds – Class K are “lifecycle funds,” offering different allocation mixes among stocks, bonds, and short-term investment instruments based on your target retirement age. The allocation mix is more aggressive when you're younger and gets more conservative as you approach retirement. If you do not make an investment election, the default investment fund for contributions made after 2005 will be the Fidelity Freedom® Funds – Class K with the target retirement date closest to your normal retirement date (age 65). For

example, if you will be age 65 in 2018, your default Fidelity Freedom® Fund – Class K for contributions made to the Plan on or after January 1, 2006 will be the Fidelity Freedom® 2020 Fund – Class K.

Currently, the Fidelity Freedom® Funds – Class K are as follows:

Your Birth Date*	Fund Name	Target Retirement Years
Before 1938	Fidelity Freedom® Income Fund – Class K	Retired before 2003
1-1-1938 to 12-31-1942	Fidelity Freedom® 2005 Fund – Class K	Target Years 2003-2007
1-1-1943 to 12-31-1947	Fidelity Freedom® 2010 Fund – Class K	Target Years 2008-2012
1-1-1948 to 12-31-1952	Fidelity Freedom® 2015 Fund – Class K	Target Years 2013-2017
1-1-1953 to 12-31-1957	Fidelity Freedom® 2020 Fund – Class K	Target Years 2018-2022
1-1-1958 to 12-31-1962	Fidelity Freedom® 2025 Fund – Class K	Target Years 2023-2027
1-1-1963 to 12-31-1967	Fidelity Freedom® 2030 Fund – Class K	Target Years 2028-2032
1-1-1968 to 12-31-1972	Fidelity Freedom® 2035 Fund – Class K	Target Years 2033-2037
1-1-1973 to 12-31-1977	Fidelity Freedom® 2040 Fund – Class K	Target Years 2038-2042
1-1-1978 to 12-31-1982	Fidelity Freedom® 2045 Fund – Class K	Target Years 2043-2047
1-1-1983 to 12-31-1987	Fidelity Freedom® 2050 Fund – Class K	Target Years 2048-2052
1-1-1988 to 12-31-1992	Fidelity Freedom® 2055 Fund – Class K	Target Years 2053-2057
January 1, 1993 and later*	Fidelity Freedom® 2060 Fund – Class K	Target Years 2058 and beyond

* Dates selected by Employer

Please refer to Virginia Mason Medical Center Retirement Plans Investment Options for additional information about the Fidelity Freedom K® Funds and the other available investment options.

Prior to January 1, 2006, the Pacific Life Account was an investment option in the Plan. Pacific Life has decided not to offer this investment option after December 31, 2005. Accordingly, the Pacific Life Account is no longer available to Plan participants after December 31, 2005. All Plan accounts left at Pacific Life as of that date were transferred to Fidelity to be deposited initially for investment in the Principal Fixed Income Fund.

Fidelity Management Trust Company is the Trustee of all Plan investments (including participant loan promissory notes). You may transfer all or a portion of your Plan account balances among the funds on a daily basis in accordance with rules adopted by the Compensation and Benefits Committee. Fidelity Management Trust Company’s address is 82 Devonshire Street, Boston, MA 02109.

What you will ultimately receive from the Retirement Plan depends upon the performance of the Plan’s funds. While the Employer believes that the invested assets will appreciate in value, there are no guarantees in this regard.

2. How Do I Share in Return on Investments?

Fidelity Management Trust Company performs valuations of the net worth of the assets invested in the Plan investment funds offered through Fidelity on each business day that the New York Stock Exchange is open for business. Fidelity Management Trust Company will report the investment returns for each calendar quarter as of the end of that calendar quarter to the Investment Committee.

As of the last day of each calendar quarter, at the direction of the Investment Committee, the recordkeepers will adjust proportionately the portion of each Participant's Employer Contribution Account(s) and Voluntary Nondeductible Employee Contribution Account(s) invested in each investment fund, so that the total of those accounts will equal the net worth of each investment fund as of that date. Because you direct the investment of your Employer Contributions and your voluntary nondeductible employee contributions, the ultimate return which you receive will be dependent upon how you manage your accounts.

3. Your Exercise of Control over Your Account.

Under the terms of the Plan, you are entitled to give investment instructions to Fidelity, which is obligated to comply with these instructions concerning the investment of your contributions and the Employer contributions to your accounts. You may issue these instructions using the Telephone Exchange System or the online system maintained by Fidelity for this purpose. You will be provided with written confirmation regarding the carrying out of these instructions within five business days. You may change your instructions on any business day, except that calls received after 4:00 p.m. (EST) will be processed on the next business day. You may also give instructions to Fidelity as to any investments you may have in the Principal Fixed Income Fund.

Generally, you incur no transaction fees or expenses as a result of your allocating your contributions from one investment under the Plan to another or from transferring from one investment to another. However, please refer to the information on certain fees relating to the Fidelity BrokerageLink accounts as described under "How Are Accounts Invested?" above.

Upon request to the Investment Committee, you may receive additional information including the following which will be based on the latest information available:

- A description of the annual operating expenses of each of the investment alternatives offered under the Plan (*e.g.*, investment management fees, trustees fees, administrative fees and transaction costs) which are charged to your account expressed as a percentage of average net assets.
- Copies of any prospectuses, financial statements and reports of other materials relating to the investment alternatives available under the Plan to the extent provided the plan administrator.
- A list of the assets comprised in the portfolio of each fund, the value of each asset and the percentage of the overall fund which it represents. With respect to an asset which is a fixed rate investment contract, the name of the bank or insurance company issuing the contract, the term of the contract and the rate of return under the contract.
- Current information about the value of the shares or units in mutual funds offered under the Plan together with current investment performance information determined net of expenses.
- Information concerning the value of shares or units in your account.

This Plan is intended to constitute a Plan described in Section 404(c) of the Employee Retirement Income Security Act and Title 29 of the Code of Federal Regulations Section 2550.404(c)-1. It is intended that the fiduciaries of the Plan (*i.e.*, the Employer, Compensation and Benefits Committee, Investment Committee, and VMMC Finance Committee) will be relieved of liability for any loss occurring as the direct and necessary result of your investment instructions.

What you will ultimately receive under the Plan depends in great part upon the investment performance of the assets of the Plan trust.

SECTION VII. VESTING.

1. How Many Employer Contribution Accounts Do I Have?

The Compensation and Benefits Committee will establish and maintain one or more Employer Contribution Accounts for each Participant, to the extent necessary to track historical vesting schedules or other provisions relating to a type of Employer Contributions.

A Participant's Employer Contribution Account transferred directly from the Virginia Mason Clinic Members' Retirement Plan and/or the Virginia Mason Hospital Employees Defined Contribution Plan to this Plan will be held in the Participants' Employer Contribution Account in this Plan.

If you were a participant in the Virginia Mason Hospital defined benefit retirement plan on December 31, 1993 and you elected to participate in this Plan as of January 1, 1994, your accrued benefit in that Virginia Mason Hospital defined benefit retirement plan was transferred to this Plan and was allocated to a separate 100% vested Transfer Account in this Plan, to be paid at the time and in the manner that other distributions under this Plan are made.

2. When Are My Benefits Vested?

Any amount credited to your Voluntary Nondeductible Employee Contribution Account is always 100% vested and nonforfeitable.

If you complete at least one Hour of Service on or after January 1, 2017, you will become vested (earn ownership rights) in your Employer contributions in the Plan according to the following schedule:

Completion of 1 Year of Service	0%
Completion of 2 Years of Service	0%
Completion of 3 Years of Service	100%

This vesting schedule is an enhancement to the prior vesting schedule, which required completion of 5 Years of Service to become 100% vested. (The prior vesting schedule in effect in 2016 provided for 20% vesting after 2 Years of Service, 40% vesting after 3 Years of Service, 60% vesting after 4 Years of Service, and 100% vesting after 5 Years of Service.)

A special rule applies if you had completed two Years of Service for vesting purposes as of December 31, 2016. Under the new vesting schedule, your benefits would be 0% vested with 2 Years of Service. However, the vesting schedule in effect in 2016 provided for 20% vesting if you had 2 Years of Service. To protect the vesting that you have already earned, your benefits will remain 20% vested if you had 2 Years of Service for vesting purposes as of December 31, 2016. If you complete a third Year of Service after 2016, you will become 100% vested.

If you do not complete at least one Hour of Service on or after January 1, 2017, your benefits will be subject to the vesting schedule in effect at the time you terminated employment. Contact the Human Resource Department if you need further information.

Years of Service for vesting purposes are Plan Years (January 1 through December 31) in which you are credited with at least 1,000 Hours of Service, beginning with the Plan Year in which you are hired. (An Hour of Service is defined in Section II, Eligibility.) If you terminate employment with the Employer after you are credited with 1,000 Hours of Service for a Plan Year, you will be credited with a Year of Service for that year for vesting purposes. Years of Service prior to age 18 are not counted.

Example: Ben is hired April 1, 2017 and is enrolled as a Plan Participant on April 1, 2018. For vesting purposes, Ben will be credited with all Plan Years (calendar years) in which he completes 1,000 Hours of Service. If Ben completes 1,000 Hours of Service in calendar years 2017 and 2018, he will have completed 2 Years of Service with the Employer for vesting purposes. At that time, he will be 0% vested in his Employer Contribution Account. If Ben completes 1,000 Hours of Service in 2019, he will have completed 3 Years of Service and will be 100% vested in his Employer Contribution Account.

When crediting Hours of Service during a 12-month calendar period, the Employer uses hours in an annual “payroll year” (i.e., measured from the beginning of the first payroll period in the 12-month period to the end of the last payroll period in that 12-month period). The “payroll year” is often close to the calendar year or other measurement period but differs slightly due to payroll cutoff dates.

The amount in your Employer Contribution Account (if any) will become 100% vested and nonforfeitable if any of the following occurs while you are still employed by the Employer: (1) your death (including your death while on qualifying military leave), (2) your permanent and total disability, or (3) your attainment of the Plan’s normal retirement age (age 65). In addition, if the Plan is terminated by the Employer, your Plan accounts would become 100% vested and nonforfeitable.

If you were a participant in this Plan and you transferred to employment with Group Health Cooperative (or another participating employer who co-sponsors a Group Health Cooperative qualified retirement plan) during the period from January 1, 1996 through December 31, 1997 and you did not have a break in service of greater than 30 days between employment with those employers, then the full amount credited to your Employer Contribution Account became fully vested and nonforfeitable at that time.

3. Will I Receive Credit for Vesting Purposes for My Service with Another Entity?

If you are in an eligible employment category, then in determining whether you have completed a Year of Service for vesting purposes, you will receive credit for your service with the following entities, including time employed by the Employer in a House Staff capacity, but subject to the break in service rules described under “What Happens to Amounts That Are Forfeited by Participants?” below:

- (a) The predecessor The Mason Clinic Partnership;
- (b) Virginia Mason Clinic;
- (c) Virginia Mason Hospital Association;
- (d) Virginia Mason Medical Foundation;
- (e) Virginia Mason Medical Center;
- (f) Virginia Mason Health Plan;
- (g) Mason Clinic Properties; and
- (h) Yakima Valley Memorial Hospital.

If you transferred from employment with Yakima Valley Memorial Hospital (“YVMH”) to the Employer in connection with the YVMH affiliation or were employed by YVMH on or after January 1, 2016 and are later employed by the Employer, service credited with YVMH will be recognized by the Employer for vesting purposes under this Plan.

Other Transactions for Which Prior Service Was Recognized.

Any previous Years of Service with Benaroya Research Institute at Virginia Mason (formerly known as Virginia Mason Research Center) that you may have completed with Benaroya Research Institute at Virginia Mason will be counted for vesting purposes, subject to the break-in-service rules described under “What Happens to Amounts That Are Forfeited by the Participants?” below. However, if you terminate employment with the Employer and are later employed by Benaroya Research Institute at Virginia Mason, any future Years of Service with Benaroya Research Institute at Virginia Mason are not counted in this Plan for vesting purposes.

If you were an employee of Mercer Island Primary Care Associates or Mercer Island Pediatric Associates and you transferred employment to the Employer in June 1994, at the time the assets of those medical practices were acquired by the Employer, you will receive credit for vesting purposes as of January 1, 1995 for each Year of Service as an employee of Mercer Island Primary Care Associates or Mercer Island Pediatric Associates if you were an employee of the Employer on January 1, 1995.

If you were an employee of Sand Point Pediatrics and you transferred employment to the Employer on July 1, 1995, at the time the assets of that medical practice were acquired by the Employer, you will receive credit for vesting purposes for each Year of Service (including Hours of Service from January 1, 1995 through June 30, 1995) as an employee of Sand Point Pediatrics.

If you were an employee or partner of Port Angeles Clinic Partnership and you transferred employment to the Employer on November 1, 1995, at the time the assets of that

medical practice were acquired by the Employer, or if you were an employee of Fidalgo Medical Associates, P.S., and you transferred employment to the Employer on December 11, 1995, at the time the assets of that medical practice were acquired by the Employer, you will receive credit for vesting purposes as of January 1, 1996 for each Year of Service as an employee or partner of Port Angeles Clinic Partnership or as an employee of Fidalgo Medical Associates, P.S.

If you were an employee of the Winslow Clinic, P.C. and you transferred employment to the Employer as of January 1, 1995, you will receive credit for vesting purposes for each Year of Service as an employee of the Winslow Clinic, P.C. as of January 1, 1995.

If you were an employee of Group Health Cooperative who transferred employment to the Employer during the period from January 1, 1996 through December 31, 1997, and if you did not have a break in service of greater than 30 days between employment with those employers, you will receive credit for vesting purposes for your Years of Service and Hours of Service under a Group Health Cooperative qualified retirement plan. (If you became an employee of the Employer during this period but you also continued to be employed by Group Health Cooperative on a per diem or part-time basis, you will be treated as having transferred employment from Group Health Cooperative to the Employer without a break in service of greater than 30 days between employment with these employers.) However, you will not receive any duplication of vesting credit for the Plan Year in which you become employed by the Employer.

4. What Happens to Amounts That Are Forfeited by the Participants?

If you terminate employment with the Employer when you are 0% vested in your Employer Contribution Account(s), you will be deemed to have received a \$0 cashout payment and your nonvested benefits in your Employer Contribution Account(s) will be forfeited. If you are rehired before you incur five consecutive one-year breaks in service, your nonvested forfeited benefits will be reinstated without earnings to your Employer Contribution Account(s) on your behalf as of December 31 of the year you are rehired. For purposes of this forfeiture rule, breaks in service are determined during the Plan Year.

Amounts forfeited are used first to reinstate any previously forfeited amounts that are required to be reinstated in rehired Participants' Plan accounts and, secondly, are applied towards future Employer Contributions to be allocated to participants' accounts as provided by the Plan.

If you terminate employment and the Compensation and Benefits Committee cannot locate you after a good faith effort to do so, your vested Plan account balance will also be forfeited. However, if you are later located or if you make a claim for benefits, your vested Plan account balance will be reinstated without any adjustment for gains and losses after the forfeiture occurred.

5. What Happens If I am Rehired?

If you are rehired after you have five consecutive one-year breaks in service, your nonvested benefits will be permanently forfeited. If you are rehired before you have five consecutive one-year breaks in service, the nonvested amounts in your Employer Contribution Accounts that you previously forfeited will be reinstated in your Employer Contribution Accounts.

Upon rehire, you will not receive credit for your prior Years of Service for vesting purposes, if: (1) you terminate employment and you are zero percent (0%) vested in your Employer Contribution Account(s), (2) your years of consecutive one-year breaks in service equal or exceed your prior Years of Service, and (3) the number of your consecutive one-year breaks in service is at least five. For purposes of applying this rule, breaks in service are determined during the Plan Year.

Example: Angela has completed a Year of Service for vesting purposes in 2017 and 2018, so she has a total of two Years of Service for vesting purposes. Her Employer Contribution Account balance is \$5,000. In accordance with the Plan's vesting schedule, if Angela terminates employment on March 1, 2019, before she completes 1,000 Hours of Service in 2019, she will have two Years of Service for vesting purposes. She will be zero percent (0%) vested in her Employer Contribution Account of \$5,000.

When Angela terminates employment, she will forfeit the nonvested portion of her Employer Contribution Account (i.e., \$5,000), because she is 0% vested upon termination of employment. If Angela is rehired by the Employer before she has five consecutive one-year breaks in service, the \$5,000 that she forfeited from her Employer Contribution Account will be reinstated in that account.

SECTION VIII. BENEFICIARY DESIGNATION.

How Do I Designate a Beneficiary to Receive My Benefits in the Event of My Death?

You may designate a beneficiary or beneficiaries, who are persons who will receive any vested Plan benefits payable at your death. If you are married and you do not designate a beneficiary, your vested Plan benefits will be payable to your spouse. If you are married, and you designate someone other than your spouse as your beneficiary, your spouse must consent in writing to that designation. Your spouse's consent must be on a form provided by the Compensation and Benefits Committee and must be witnessed by a notary public or a Plan representative. Your beneficiary may be changed at any time by written designation filed with the Compensation and Benefits Committee or a Plan representative. If you don't name a beneficiary or if the beneficiary you name is not alive, the amount in your account will be paid to your surviving spouse, or if none, as provided in the Plan.

If you designate a beneficiary other than your spouse prior to age 35, then when you reach age 35, you must complete another beneficiary designation form and again obtain your spouse's consent witnessed by a notary public or a Plan representative, in order for your beneficiary designation to be valid.

SECTION IX. DISTRIBUTION OF BENEFITS.

1. When Do I Receive Retirement Benefits?

Normally, you will receive your Plan benefits upon your retirement at your Normal Retirement Age of 65. After you reach age 55, however, you may elect to retire and elect an Early Retirement Date on the first day of any month. You or your beneficiary may elect to receive your vested benefits earlier if you are permanently disabled, die, or terminate

employment. In addition, a Participant who has attained Normal Retirement Age (65) may elect in writing to receive his or her vested Plan benefits prior to actual retirement in accordance with procedures established by the Compensation and Benefits Committee. Payment of your benefits will be made as described in Section X.

If you do not wish to begin receiving your Plan benefits when you retire and their value exceeds \$1,000, you may elect to defer the payment of your Plan benefits to a date later than your retirement date. You will be provided forms on which to make this election and you may change your election at any time.

If you have terminated employment or retired and postponed receipt of your vested benefits, you must begin receiving your vested Plan benefits no later than April 1 of the calendar year following the calendar year in which you reach age 70½. Your Plan accounts will continue to share in investment gains and losses, fees and expenses until distributed to you. If you are still working, you will continue as a Plan Participant and you will continue to share in the Employer's contributions.

Benefit checks and Plan information are normally distributed by mail. If you are entitled to a benefit, it is your responsibility to provide the Committee with your current address.

2. What Happens If I Die?

If you die prior to the commencement of payment of your vested Plan benefits, any vested amounts in your Plan accounts will be paid to your designated beneficiary. Your designated beneficiary may select one of the payment options listed in Section X of this Summary Plan Description. If you die without designating a beneficiary or your designated beneficiary predeceases you, your vested Plan benefits will be paid to the person(s) provided for in the Plan document.

If you were a member of the Virginia Mason Clinic Members' Retirement Plan and you executed an Extended Death Benefits Request on or before December 31, 1983, the Compensation and Benefits Committee will distribute death benefits in accordance with the terms of that request, provided that the Compensation and Benefits Committee determines in its sole discretion that it is in the best interest of the Plan, the Participant and the beneficiary.

3. What Happens If I Terminate Employment?

If you terminate employment prior to normal or early retirement and your vested Plan benefits are not more than \$1,000, you will receive a distribution in a lump sum equal to the sum of (a) the vested (nonforfeitable) portion of your Employer Contribution Account(s), if any, and (b) your Voluntary Nondeductible Employee Contribution Account, if any. If you terminate employment and your vested Plan benefits are more than \$1,000, you may elect payment of those benefits as described in Section X. In that case, your distribution will be made when you reach age 65, unless you elect to begin receiving your distribution (a) when you terminate employment or (b) on any other date commencing on or before April 1 of the calendar year after the year in which you reach age 70½.

If you terminate employment prior to age 55, the distribution will be subject to a 10% income tax penalty on early withdrawals unless you are permanently disabled or unless your distribution is rolled over or transferred to an IRA or another employer's eligible retirement plan.

4. What Happens If I Am Rehired?

If you are rehired after you have five consecutive one-year breaks in service for vesting purposes, your nonvested benefits will have been permanently forfeited. If you are rehired before you incur five consecutive one-year breaks in service, the nonvested amount in your Employer Contribution Account(s) that you previously forfeited will be reinstated.

Whether or not you have forfeited your Employer Contribution Account(s), your prior Years of Service credited for vesting purposes will be reinstated when you are rehired. The Plan has an exception to this rule and your prior service credit will not be reinstated if it applies. If at the time you terminate employment, you are entitled to no amount of your Employer Contribution Accounts (your vested percentage is zero), then upon rehire your prior Years of service will not be reinstated (a) if you have incurred five consecutive one-year breaks in service, and (b) if the number of your consecutive one-year breaks in service equals or exceeds your Years of Service prior to the break.

Example: Assume that you were hired after January 1, 2017, have completed two Years of Service for vesting purposes, and have \$5,000 in your Employer Contribution Account. When you quit you are 0% vested in your Employer Contribution Account (i.e., vested in \$0 of that account). Because you are 0% vested, the \$5,000 in your Employer Contribution Account is forfeited. Two years later, you return to employment with the Employer. At that time, your prior two Years of Service will be reinstated for vesting purposes, and the non-vested amounts previously forfeited from your account (\$5,000 from your Employer Contribution) will be reinstated on the following December 31.

5. What Happens If I Am Disabled?

In the event of permanent and total disability, established to the satisfaction of the Compensation and Benefits Committee, you may elect to receive the value of your vested Plan accounts as soon as possible after the Compensation and Benefits Committee determines disability has occurred. Disability means you are unable to perform the duties of your current position or a comparable position because of a medically determinable physical or mental impairment that can be expected to be of a long continual nature.

Effective January 1, 2018, disability means you are determined to be totally and permanently disabled by the Social Security Administration. You may also be determined to be totally and permanently disabled if the Employer's Human Resources Department determines you have a physical or mental impairment that can be expected to last for a continuous period of not less than 24 months and you are expected to be unable to engage in any substantial gainful activity during that time. You must submit a certificate from a physician for review by the Human Resources Department. If you disagree with the findings of the Employer's Human Resources Department, you may appeal to the Compensation and Benefits Committee, which will review your appeal in a manner consistent with the Plan's claim and appeal procedures.

Any decision of the Human Resources Department or the Committee will be made within 45 days of the claim or appeal, unless an extension of time is required in accordance with applicable law.

6. What Happens If I Divorce?

Benefits provided under this Plan are for you and your beneficiary. Your benefits cannot be assigned to someone else in order to settle a debt. However, a court may require the Plan to pay all or a portion of your vested Plan benefits to a former spouse or to your children pursuant to the terms of a Qualified Domestic Relations Order. If the Compensation and Benefits Committee receives a Qualified Domestic Relations Order that relates to you, the Compensation and Benefits Committee will notify you immediately. You also have the right to obtain, without charge, a copy of the procedures governing Qualified Domestic Relations Orders from the Compensation and Benefits Committee.

SECTION X. FORM OF DISTRIBUTION.

In What Form Will My Plan Benefits Be Paid?

When you are to receive a Plan distribution, unless you elect otherwise, the vested amount in your Plan accounts will be used to purchase a 50% joint and survivor annuity contract for you and your spouse, if you are married. If you are unmarried, the vested amount in your accounts will be used to purchase a single life annuity contract for your life. Your account will be charged for the annuity purchase.

If you wish to elect another form of benefit and you are married, your spouse must consent in writing on a form to be provided by the Compensation and Benefits Committee or a Plan representative. Your election of another form of benefit and your spouse's consent must be completed no earlier than 180 days before payment starts unless certain waiver rules apply. Your spouse's consent to another form of benefit must be witnessed by a notary public or a Plan representative. Other forms of benefit which you may elect are (1) a 75% joint and survivor annuity with your spouse as the joint annuitant, (2) installment payments over a period of years that does not exceed your life expectancy or the joint life expectancy of you and your spouse at the time payments begin, or (3) a single lump sum payment equal to the vested amount in your Plan accounts.

If you retire and your vested Plan benefits are not more than \$1,000, those benefits will be paid in a single lump sum payment in cash as soon as reasonably possible after your retirement.

If you die before your Plan benefits begin, the beneficiary you designated may elect to receive the amount in your accounts in the form of an annuity contract for life, in installment payments over a period of years not to exceed the beneficiary's life expectancy at the time payments start, or in a single lump sum payment. Payments must begin within one year after the date of your death unless your beneficiary is your spouse, in which case your spouse may elect to defer payments until a date not later than the date you would have attained age 70½. If you elected installment payments and you die after your installment payments begin, your beneficiary may continue to receive the remaining installment payments. However, your

beneficiary may request installment payments over a shorter period of time or a lump sum payment of your remaining vested Plan accounts.

SECTION XI. LOANS.

May I Borrow From the Plan?

If you are a Participant with vested Plan benefits in the Fidelity Mutual Funds and/or the Principal Fixed Income Fund, you may obtain a loan from that part of your Employer Contribution Account(s), and your Voluntary Nondeductible Employee Contribution Account(s) that are invested in these funds, in an amount and on the terms determined by the Compensation and Benefits Committee. You may not, however, take a loan from any of your Plan accounts that are invested in a Fidelity BrokerageLink Account.

The amount of the loan may not exceed the lesser of: (a) \$50,000 or (b) one-half of your nonforfeitable (vested) benefits invested with the permitted investment funds described above. If you are permitted to borrow a total of \$50,000 and if you have had an outstanding-loan balance at any time in the preceding 12 months, then during that 12-month period you may borrow only the difference between \$50,000 and your highest outstanding loan balance in the preceding 12 months, even if you've repaid all or part of that loan balance.

A loan must be at least \$1,000, must bear a commercially reasonable rate of interest and will be secured by 50% of your vested Employer Contribution Account(s) and 50% of your Voluntary Nondeductible Employee Contribution Account(s), if any, and such other collateral as the Compensation and Benefits Committee may require. Loans must be repaid within five years, unless the proceeds are used to purchase your primary residence, in which case they must be repaid within 15 years. The law requires that Plan loans must be paid in at least quarterly installments, but the Compensation and Benefits Committee may require that loan payments be made more frequently. Effective for new loans taken on or after January 1, 2006, the Compensation and Benefits Committee requires that loan repayments be made on a monthly basis by directly debiting a participant's checking account. (Previously, the Compensation and Benefits Committee required that loan repayments be made monthly by payroll deduction.) Loans will be available to all Participants on a reasonably equivalent basis (credit-worthiness may be considered). Loan payments, both principal and interest, will be allocated among permitted Plan investment funds, pursuant to your most recent investment election.

Prior to January 1, 2003, you were permitted to have two outstanding Plan loans at a time. Effective January 1, 2003, you may only have one outstanding loan at a time. (Note, however, that a participant who had two loans outstanding as of December 31, 2002 may continue to maintain those two outstanding Plan loans and repay them in accordance with the terms of the Plan loan promissory notes.)

A married Participant must obtain his or her spouse's consent within the 90-day period before his account balance is used as security for a Plan loan. A new spousal consent is required within the 90-day period before the Participant's account balance is used for any increase in the amount of the security for a loan. The spouse's consent must be witnessed by a Plan representative or a notary public.

Example: Dan has \$20,000 of his vested Pre-2007 Employer Contribution Account and Post-2006 Employer Contribution Account assets invested in Plan investment funds from which loans are permitted and no outstanding Plan loans. The most Dan can borrow is \$10,000; *i.e.*, the lesser of (a) \$50,000 or (b) one-half of \$20,000.

You may not take a loan after you terminate employment with the Employer.

Effective with respect to new loans made on or after January 1, 2003, your loan will be considered in default upon your termination of employment. Your loan must be repaid no later than the last day of the calendar quarter following the calendar quarter in which you terminate employment. If the loan is not repaid within that time period, your outstanding loan balance will be treated as a taxable distribution to you and will generally also be subject to an additional 10% penalty tax. If you miss making a loan repayment while you are actively employed, your loan will be considered in default. You must make up the missing loan payment no later than the last day of the calendar quarter following the calendar quarter in which your loan payment was missed. If you fail to do so, your outstanding loan balance will be treated as a taxable distribution to you and will generally also be subject to an additional 10% penalty tax.

Your loan repayments may be suspended in accordance with applicable law during a period of qualifying military leave.

The interest rate for your Plan loan will be the prime rate plus 1%. The prime rate is defined as the Reuters prime rate and is updated at the beginning of each calendar quarter for new loans made during that calendar quarter.

Reasonable loan fees may be charged to your Plan accounts if you take a loan.

SECTION XII. PLAN ADMINISTRATION.

1. How Is the Plan Administered?

The Plan is administered by the Compensation and Benefits Committee (the Plan Administrator) selected by the Board of Directors of the Employer. The Compensation and Benefits Committee's responsibilities include arranging for all services necessary to operate the Plan, including accounting, legal and investment advisory services. The Compensation and Benefits Committee has the power in its sole discretion to manage and operate the administration of the Plan, including interpreting the provisions of the Plan and Trust Agreements, and making required administrative decisions regarding eligibility, right to benefits and similar decisions.

Inquiries to the Compensation and Benefits Committee should be addressed to the Benefits Specialist of Virginia Mason Medical Center Human Resources Department. The telephone number is (206) 223-6757.

2. Who Is the Plan Sponsor?

The sponsor of this Plan is Virginia Mason Medical Center, 1100 9th Avenue, P.O. Box 900, Seattle, Washington 98111. The Employer's employer identification number assigned by the Internal Revenue Service is 91-0565539. The Plan Number is 003.

3. What Is the Plan Year?

The Plan Year is January 1 through December 31. All records of the Plan are maintained on this Plan Year.

SECTION XIII. TOP-HEAVY PROVISIONS.

1. What Is a Top-Heavy Plan?

The Plan will be top-heavy if more than 60% of the account balances under the Plan belong to key employees. Key employees of the Employer are certain highly compensated officers.

2. What Happens if the Plan Is Top-Heavy?

The Plan is not currently top-heavy. If the Plan becomes top-heavy, your Employer Contribution Account will vest earlier. The Compensation and Benefits Committee will notify you if the Plan becomes top-heavy.

SECTION XIV. TERMINATION OF THE PLAN.

What Happens if the Plan Is Terminated?

The Employer expects to continue the Plan indefinitely but reserves the right to terminate it or to amend it. The Board of Directors of the Employer may amend the Plan by written action at any time. The Board of Directors of the Employer has delegated authority to the Compensation and Benefits Committee to adopt amendments to the Plan that are of an administrative nature or that are required by a change in the law.

If the Plan is terminated, your Employer Contribution Account(s) will become 100% vested. All of the assets of the Plan will be used to pay benefits to participants. No part of the assets will be returned to the Employer.

SECTION XV. TAXATION OF DISTRIBUTIONS.

If your distribution is a lump sum payment at termination of employment, retirement or death, a cashout of not more than \$1,000, or installment payments over a period of fewer than 10 years, the distribution is considered an “eligible rollover distribution” and subject to automatic 20% federal income tax withholding unless you elect to transfer the distribution directly to (a) an “eligible employer plan,” which includes a plan qualified under Code Section 401(a), including a 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a Code Section 403(a) annuity plan; a Code Section 403(b) tax-sheltered annuity; an eligible section 457(b) plan maintained by a governmental employer (governmental 457 plan), or (b) an individual retirement account or annuity (IRA).

Instead of taking a direct distribution of your benefits, you may elect to roll over all or part of an eligible rollover distribution to an “eligible retirement plan” or an IRA (as described in the preceding paragraph) within sixty (60) days after receiving the distribution, in order to

postpone taxation of the amount rolled over to the eligible retirement plan or IRA. If you do not elect a direct rollover as described above, but want to roll over the distribution after you receive it, 20% of the Plan distribution will be automatically withheld and paid to the IRS. This means if you want to roll over the entire amount of the Plan distribution to an eligible retirement plan or IRA within 60 days after receiving the distribution, in addition to the 80% of the distribution you receive, you must also use other funds available to add to the rollover which equal the 20% amount withheld from the distribution. Otherwise the 20% amount withheld will be taxable.

If you have after-tax contributions held in the Plan and receive an eligible rollover distribution, you may elect to roll over those after-tax contributions to an IRA, another employer's qualified retirement plan, or a 403(b) annuity, provided that the plan or annuity separately accounts for after-tax amounts.

An eligible rollover distribution may be rolled over to a Roth individual retirement account described in Code Section 408A(b).

Also, if you die and your non-spouse beneficiary is eligible to receive a lump sum, he or she may roll over a distribution received from this Plan to an individual retirement account or individual retirement annuity (IRA). That IRA will be treated as an "inherited" IRA under laws applicable to IRAs. However, if your spouse is your beneficiary, he or she may roll over an eligible rollover distribution to another employer's eligible retirement plan or an IRA.

The Compensation and Benefits Committee will provide you with a detailed tax notice describing your options for tax withholding when you are eligible to take a distribution. In certain situations, special tax treatments may be available. More information on this can be found in this tax notice. It is strongly recommended that you consult with a tax adviser before taking a distribution from the Plan.

SECTION XVI. RIGHTS OF PARTICIPANTS.

1. To Whom Should Legal Notices Be Addressed?

Legal notices should be directed to the Compensation and Benefits Committee at the address indicated in Section XII. However, service of legal process may also be made upon the Plan Trustee.

2. If I Believe I Am Entitled to Plan Benefits, What Should I Do?

If you are entitled to retirement benefits under the Plan, you need not make a claim to the Compensation and Benefits Committee in order to receive your benefits. However, if you disagree with the information or computations in connection with any of your benefits, you may make a claim to the Compensation and Benefits Committee. The Compensation and Benefits Committee has the sole discretion to decide all issues of fact or law. Any decision of the Compensation and Benefits Committee that does not constitute an abuse of discretion must be upheld by a court of law.

If you make a claim, that claim should be in the form of a letter stating why you disagree and should include all facts and information you want the Compensation and Benefits

Committee to consider. You will be advised of the acceptance or rejection of your claim within 90 days (or 45 days if the claim relates to disability) after your claim is received, unless special circumstances require an extension of time for processing the claim. If the Compensation and Benefits Committee requires an extension, written notice of the extension will be furnished to you prior to the end of the initial 90-day period (or 45-day period if the claim relates to disability). The extension will not exceed an additional period of 90 days (or 30 days if the claim relates to disability). The extension notice from the Compensation and Benefits Committee will state the special circumstances requiring the extension of time and the date by which the Compensation and Benefits Committee expects to make a final decision.

In the event your claim is denied, it must be denied in writing and the denial must state in detail the specific reasons for the denial, the specific Plan provisions upon which the denial is based, any additional material or information which you may provide which would entitle you to the benefits you claim, and an explanation of why such material or information is necessary. The notice of denial must also explain the steps to be taken if you or your beneficiary wishes to submit a claim for review. If you choose to submit a claim for review by the Compensation and Benefits Committee, then within 60 days after the date your claim is denied (or 180 days if your claim relates to disability), you or your authorized representative must make a written request to the Compensation and Benefits Committee for review. Your request for review of your denied claim should include a statement of the reasons your claim should be allowed. You or your representative may examine any documents the Compensation and Benefits Committee has in its files and will use in reaching a decision, and you may also submit additional written comments to the Compensation and Benefits Committee which support your claim. A claim relating to disability will be reviewed by a different subgroup of the Compensation and Benefits Committee than the subgroup that reviewed your initial claim.

The Compensation and Benefits Committee will advise you of its decision in writing within 60 days (or 45 days if your claim relates to your disability) following receipt of your request for review, unless special circumstances require an extension of time for processing. If an extension is necessary, a decision will be made as soon as possible, but not later than 120 days (or 90 days if your claim relates to disability) after the Compensation and Benefits Committee receives your request for review. If an extension of time for review is required because of special circumstances, written notice of the extension and the Compensation and Benefits Committee's reasons for needing more time will be furnished to you prior to the commencement of the extension. The decision on review will be in writing and will include specific reasons for the decision, as well as specific references to the plan provisions upon which the decision is based. The decision of the Compensation and Benefits Committee will be final and will be subject to no further appeal or review.

3. Are My Benefits Insured by the Federal Government?

Your benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation (PBGC), an agency of the federal government. The PBGC does not require or provide insurance for the Plan. The Employer's contributions are credited directly to your accounts in the Plan, and the benefits you receive depend on the investment performance of the trust funds.

4. What Are My Rights Under ERISA?

This statement of ERISA rights is required by federal law and regulation. As a Participant in the Employer's Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

Receive Information about Your Plan and Benefits

1. Examine, without charge, at the Compensation and Benefits Committee's office and other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

2. Obtain, upon written request to the Compensation and Benefits Committee, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 series) and updated summary plan description. The Compensation and Benefits Committee may make a reasonable charge for the copies.

3. Receive a summary of the Plan's annual financial report. The Compensation and Benefits Committee is required by law to furnish each participant with a copy of this summary annual report.

4. Obtain a statement of your total Plan benefits (your account balance) and your vested Plan benefits, if any, or if you have no vested benefits, a statement of how many more years you will have to work to have a vested right to Plan benefits. This statement must be requested in writing and is not required to be given more than once a year. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents 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 Compensation and Benefits Committee 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 Compensation and Benefits Committee. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Compensation and Benefits Committee. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Compensation and Benefits Committee, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Information was provided by Virginia Mason Medical Center. Fidelity Investments is not responsible for its content.