BJC 401(k) Plan

Summary Plan Description
# Table of Contents

- Why BJC Health System sponsors the BJC 401(k) Plan .......................... 1
- The basics of the BJC 401(k) Plan .................................................. 1
- About this Summary Plan Description .............................................. 2
- Who can participate in the BJC 401(k) Plan? ................................. 3
- Participating in the Plan ................................................................. 4
- Your Contributions ........................................................................... 6
- Matching Contributions ................................................................. 9
- Vesting .............................................................................................. 11
- Service crediting ............................................................................ 11
- Rollovers into the Plan ................................................................. 13
- How you can borrow from your Plan Account ............................. 13
- If you need Plan money before your retirement ......................... 16
- Your Retirement Distribution ....................................................... 17
- Your Death Benefit ........................................................................ 18
- Making sure you protect your Spouse ......................................... 20
- Plan investments ............................................................................. 21
- Non-discrimination rules .............................................................. 24
- Other ways Benefits might be limited or decreased .................... 25
- Qualified Domestic Relations Order ......................................... 25
- Changing or ending the Plan ....................................................... 26
- No Pension Benefit Guaranty Corporation Coverage .................. 26
- Claims and Appeal Procedure ...................................................... 27
- Words to know ............................................................................. 29
- About your Plan Account statements ......................................... 34
- Your legal rights under ERISA ................................................... 34
- Identifying information ................................................................. 36
Why BJC Health System sponsors the BJC 401(k) Plan

Saving for retirement is something we know we should do, but often find difficult to get started. To help you save for your retirement, BJC Health System ("BJC") sponsors the BJC 401(k) Plan (the "Plan") and the BJC 403(b) Plan. All employees other than Highly Compensated Employees are eligible to make Elective Contributions to this Plan, whereas Highly Compensated Employees are eligible to make Elective Contributions to the 403(b) Plan. Employer Matching Contributions for both this Plan and the BJC 403(b) Plan are made to this Plan. And, if you are not eligible for the BJC Pension Plan, a Nonmatching Employer Contribution may be made for you under the BJC 403(b) Plan. Additional information concerning the BJC 403(b) Plan is provided in a separate summary plan description for that plan.

The Plan has investment options and services you can use to manage your retirement savings.

We value the important work you do to help us meet our goals. We hope the Plan will help you invest in your future.

The basics of the BJC 401(k) Plan

The BJC 401(k) Plan is a retirement savings plan.

**How you benefit**
If you're eligible, you may enroll (or be automatically enrolled) in the Plan to make Elective Contributions. For an explanation of Elective Contributions, see the section titled *Your Contributions*.

If you're eligible, your Employer may make Matching Contributions to your Plan Account. For an explanation of how much your Employer contributes and when you're eligible to get a Matching Contribution, if applicable, see pages 3 and 9.

**What you'll get**
Your Plan is an individual account plan. This means your Benefit is based on the Contributions made for you adjusted to reflect any investment earnings and losses. Your Benefit is your Vested Account balance.

**Your Plan Account**
Your Plan keeps an individual Account just for you. Your Plan Account reflects all Plan Contributions and investment earnings and losses.

**When it's all yours**
You're always fully and immediately Vested in your Before-Tax Contributions Account and Roth Contributions Account, if any.

You become 50% Vested in your Matching Contributions Account, if any, on your completion of one Year-of-Vesting-Service and 100% Vested on your completion of two Years-of-Vesting-Service, as explained in the section titled *Vesting*.

You become fully Vested in your Matching Contributions Account, if, before you retire, you reach age 65, you die or you become disabled.

**What your Plan does for you**
Your Plan is for your retirement savings.
legal protections Your Plan is governed by ERISA, a Federal law that provides legal protections for you.

About this Summary Plan Description

What does this Summary Plan Description tell me?

This Summary Plan Description (" SPD") provides an overview of some of the most important provisions of the Plan. It's a non-technical summary of the rules that govern how the Plan works. This SPD focuses on those provisions that Federal law requires to be explained in a summary plan description.

The Plan is a formal legal document that contains the provisions of the BJC 401(k) Plan. To help make it easier for you to understand how the Plan works, we've prepared this summary. Also, this SPD explains certain rules you must follow to exercise your rights under the Plan.

This SPD does not explain every provision of the Plan. And for many of the points that are mentioned, this SPD doesn't go into detail about the Plan's provisions and how they work in different situations.

You may find it helpful to refer to the Table of Contents to locate a particular explanation on a general topic. Also, because we've prepared this SPD in a question-and-answer format, you may find that following the questions will help you find the explanation you're looking for.

If, after reading this SPD, you want more information, you may ask the Plan Administrator to give you a copy of the Plan, the complete legal document. The Plan Administrator must give you a copy of the Plan if you request it. You should make your request in writing to the Plan Administrator at the address shown in the section titled Identifying information. The Plan Administrator may require you to pay the amount the Plan Administrator finds is the reasonable cost of copying the document.

Please understand that the Plan, the formal legal document, and not this SPD, is the actual Plan. If there is any conflict between this SPD and the actual Plan provisions, the formal Plan document will govern.

This SPD seems to have a lot of words that are capitalized, even when they're in the middle of a sentence. Why is that?

Throughout this SPD, we've capitalized certain words or terms whenever they're used according to the special meaning they have for the Plan. We do this as a signal to you that some of these words have a special meaning that you wouldn't find in a dictionary. We tried to use these words in context. For an explanation of some of these words, see the section titled Words to know. If you need more information, you may request and read the Plan document.

Should anyone else read this SPD?

The Plan affects you and your Spouse, and perhaps, other members of your family. We suggest that you keep this SPD in a safe place, and let your Spouse and other members of your family know where it is.
Who can participate in the BJC 401(k) Plan?

Are all employees eligible to participate in the Plan?

No. You must be an Eligible Employee of a Participating Employer to participate in the Plan. The Plan excludes some groups of employees (see below).

Who are the Participating Employers?

All hospitals and other health care entities that are affiliated with BJC (referred to as the BJC Health System) and have adopted the Plan are Participating Employers. A list of the Participating Employers is included in the section titled Identifying Information. If you have a question whether your employer is a Participating Employer, you may call the BJC employee retirement benefits office at (314) 362-0551.

If my Employer participates, am I eligible?

Not necessarily. Even if you’re an Employee of a Participating Employer, certain groups of employees are excluded from participating in the Plan at all, and some groups of employees may participate but are not eligible for Matching Contributions.

Which Employees are excluded from participating in the Plan?

You are NOT eligible for any kind of Contributions, even voluntary Elective Contributions (Before-Tax or Roth), if you belong to any of the following groups:

- You’re a nonresident alien with no earned income from any Participating Employer.
- You’re a statutory employee for payroll purposes, a non-employee or a Leased Employee.

If you’re a Highly Compensated Employee who is eligible to participate in the BJC 403(b) Plan, you are not eligible to make Elective Contributions to the BJC 401(k) Plan.

The Plan Administrator in its sole discretion will decide all questions of eligibility.

Are all Eligible Employees eligible for all types of contributions under the Plan?

No. Only certain Eligible Employees are entitled to receive the Matching Contributions under the Plan. In addition, if you’re a Highly Compensated Employee, you must make your Elective Contributions (Before-Tax or Roth) to the BJC 403(b) Plan. In addition, only Before-Tax Contributions up to 4% of your Compensation are eligible for Matching Contributions. Roth Contributions are not eligible for the Matching Contributions.

Which employees are excluded from Matching Contributions?

You are NOT eligible for Matching Contributions if you belong to any of the following groups:

- You’re primarily or solely employed by Memorial Regional Health Services, Inc. or one of its direct or indirect subsidiaries (e.g., Memorial Hospital, Memorial Hospital-East or Memorial
Medical Group). If you are a Memorial Employee, see the BJC 403(b) Plan SPD for information on the Nonmatching Employer Contribution you may be entitled to receive.

- You're a member of, or represented by, a collective bargaining unit and retirement benefits were the subject of good faith bargaining.

- You're not a U.S. citizen, a lawful permanent resident, an asylee or a refugee (each as defined under the Federal Immigration and Nationality Act and Applicable Law), or an H-1B non-immigrant employee as described under the American Competitiveness and Workforce Improvement Act.

- **PLEASE NOTE:** Although most Highly Compensated Employees are eligible to receive Matching Contributions, BJC will only match Before-Tax Contributions for Highly Compensated Employees that are made to the BJC 403(b) Plan. See the BJC 403(b) Plan SPD and page 9 of this SPD for more information.

- You have signed or adopted an employment agreement that provides that you will not receive Matching Contributions in the Plan.

- You're only making Roth Contributions to the Plan or the BJC 403(b) Plan.

The Plan Administrator in its sole discretion will decide all questions of eligibility.

**What if I'm not sure whether I'm eligible to participate in the Plan?**

If you have a question about whether you're eligible, you should contact the BJC employee retirement benefits office at (314) 362-0551. If there are any issues concerning eligibility, final resolution will be decided by the Plan Administrator.

**When do I become eligible to participate in the Plan?**

You become eligible beginning with the first pay period after you've met the Plan's eligibility conditions.

**Participating in the Plan**

**How do I enroll (or am I automatically enrolled)?**

If you were hired or rehired on or after February 1, 2015, and you are eligible to make Elective Contributions, you are automatically enrolled in the Plan as having chosen to make Before-Tax Contributions. Automatic enrollment does not apply to employees of Memorial Hospital and its affiliates that became Participants on January 1, 2017. If you are automatically enrolled, you will be deemed to have agreed to a reduction in your salary to make automatic Before-Tax Contributions at a rate of four percent (4%) of your Compensation. You may select a different level of contributions, or opt out of automatic enrollment altogether, by specifying a level of Before-Tax Contributions, Roth Contributions, or both as described below.

If you are eligible to make Elective Contributions, but are not subject to the automatic enrollment feature described above (e.g., you were hired or rehired before February 1, 2015), you must agree to a reduction
in your salary to authorize your Employer to reduce from your pay the amounts needed to make the Elective Contributions (Before-Tax, Roth and Catch-up) you specify.

You have your choice of three different ways to specify your Elective Contributions (Before-Tax, Roth and Catch-up):

- **Online.** Enroll online at www.vanguard.com. You will be prompted on how to enroll in the Plan. You will need your Social Security Number, zip code, date of birth, and the unique number assigned to the Plan by Vanguard. The unique number assigned by Vanguard is 093371. Please follow the instructions.

- **VOICE® Network.** Call Vanguard's 24-hour automated VOICE® Network at 1-800-523-1188. To enroll through VOICE, you will need your Social Security Number and a personal identification number ("PIN"). Please contact Vanguard to mail your PIN to you.

- **Speak with an Associate.** Speak with a Vanguard Participant Services associate at 1-800-523-1188 Monday through Friday, 7:30 a.m. to 8 p.m., Central time.

The Plan Administrator is not responsible for notifying you of your eligibility to participate in the Plan if you are not subject to the automatic enrollment feature described above. You will be responsible for knowing when you become eligible to participate in the Plan and for taking any action necessary to enroll in the Plan.

**When do my Elective Contributions and Matching Contributions start?**

Generally, your Elective Contributions (Before-Tax and Roth) (and Matching Contributions if you're eligible) will begin with the pay date of the next available pay period for Elective Contributions (Before-Tax and Roth) to be made that next occurs as soon as administratively practicable after your election is received in good order by the Plan Administrator. However, if you are automatically enrolled in the Plan as described above, your Before-Tax Contributions (and Matching Contributions if you're eligible) will begin with the pay date of the next available pay period for Before-Tax Contributions to be made that next occurs 30 days after your hire date, or as soon as administratively feasible thereafter.

If you elect to contribute Roth Contributions, those contributions are not eligible for Matching Contributions.

**Can I change my automatic Before-Tax Contribution level if I am subject to automatic enrollment?**

Yes, as described above, you can "opt out" of the automatic Before-Tax Contribution percentage or specify another rate of Before-Tax Contributions or Roth Contributions (including 0% of Compensation) to be contributed to the Plan by specifying another contribution rate through Vanguard's online enrollment, VOICE® Network, or speaking with a Vanguard Participant Services associate (as more specifically described above). After you are automatically enrolled, you will need to use one of these methods to change your Before-Tax and Roth Contribution percentage.
Your Contributions

Who contributes to the Plan?

If you are eligible to make Elective Contributions (Before-Tax and Roth), you decide how much to contribute towards meeting your own retirement needs. You may choose to make Before-Tax Contributions, Roth Contributions, or a combination of the two. If you're eligible to get Matching Contributions, you must make Before-Tax Contributions. If you're a Highly Compensated Employee, you must make your Before-Tax Contributions to the BJC 403(b) Plan in order to get Matching Contributions. Only the first 4% of Compensation you contribute to this Plan or the BJC 403(b) Plan as Before-Tax Contributions (referred to as "Employee Basic Contributions" and defined below), are eligible for Matching Contributions.

Roth Contributions are not eligible for Matching Contributions.

If I am eligible to make Elective Contributions, how much should I contribute?

This is your personal retirement plan, and you should decide how much to save. As described above, certain employees are automatically enrolled to make Before-Tax Contributions at a rate of 4% of Compensation. You may increase or decrease your Before-Tax Contributions percentage by contacting Vanguard as more specifically described in the section titled Participating in the Plan. You may also contact Vanguard to specify your level of Roth Contributions.

What are Before-Tax Contributions?

Before-Tax Contributions has a special Plan meaning. "Before-Tax Contributions" are those contributions that your Employer makes to the Plan on your behalf according to your salary reduction agreement (or automatic contribution percentage) and Internal Revenue Code Section 401(k) (or Section 403(b) if you're a Highly Compensated Employee who makes Before-Tax Contributions to the BJC 403(b) Plan. If this applies to you, please see the SPD for the BJC 403(b) Plan for more information.

Your Before-Tax Contributions are equal to the percentage of your Compensation that you elect (or are automatically enrolled) to contribute to the Plan as a Before-Tax Contribution. Your Before-Tax Contributions are automatically reduced from your paycheck, and are not included in the amount your Employer reports as wages for Federal income tax purposes.

Your Before-Tax Contributions are counted as Elective Contributions for the limits explained below.

What are Employee Basic Contributions?

The Plan says that only Before-Tax Contributions up to 4% of your Compensation will get you a Matching Contribution. This first level of Before-Tax Contributions is referred to as "Employee Basic Contributions."

Do I need to make Employee Basic Contributions to get Matching Contributions?

Yes, but you must make your Employee Basic Contributions to the correct plan, as described below:
• If you're an eligible employee who is considered a Highly Compensated Employee, in order to get your Employer's Matching Contribution, you must make Employee Basic Contributions (explained above) to the BJC 403(b) Plan.

• If you're an eligible employee who is NOT considered a Highly Compensated Employee, in order to get your Employer's Matching Contribution, you must make Employee Basic Contributions (explained above) to the BJC 401(k) Plan.

If eligible, you can get a Matching Contribution only if you contribute Employee Basic Contributions to the correct plan. If you make Before-Tax Contributions to the BJC 403(b) Plan, you can use only those investment options that BJC specifies for the BJC 403(b) Plan. The investment options for the BJC 403(b) Plan are available from Vanguard.

**What are Roth Contributions?**

Roth Contributions has a special Plan meaning. "Roth Contributions" are those contributions that your Employer makes to the Plan on your behalf according to your salary reduction agreement. Unlike Before-Tax Contributions, Roth Contributions do **not** reduce the amount of your pay subject to current-year federal income taxes. However, distribution of your Roth Contributions will be 100% tax-free if you satisfy certain requirements. In other words, you will not have to pay tax twice on the amounts you contribute, regardless of when you take a distribution, and if you wait until you have met the requirements for a tax-free distribution, you will never have to pay taxes on the earnings held in your Roth Contributions Account. In order to receive a tax-free distribution, you must wait at least five taxable years after you first make a Roth Contribution under the Plan, and your distribution must be made after you have reached age 59½ or to your beneficiary after your death.

Your Roth Contributions are counted as Elective Contributions for the limits explained below.

Roth Contributions are not eligible for Matching Contributions.

**What are Employee Voluntary Contributions?**

If you make Before-Tax Contributions in excess of the Employee Basic Contributions, these contributions are referred to as "Employee Voluntary Contributions." Employee Voluntary Contributions, like Roth Contributions don't get Matching Contributions.

**What are Catch-up Contributions?**

If you're age 50 or older (or will turn age 50 by the end of the calendar year), you may make additional Elective Contributions (Before-Tax or Roth) to the Plan or the BJC 403(b) Plan, as applicable. These contributions are referred to as "Catch-up Contributions." Before-Tax Catch-up Contributions may be entitled to Matching Contributions. Roth Catch-up Contributions are not entitled to Matching Contributions. Catch-up Contributions have their own annual dollar limit and increase the amount you can contribute as described in the next question.
Is there a limit on how much I may contribute?

Yes. The Internal Revenue Code limits the amount you may contribute. The "Elective Contribution Limit" applies to the total amount of Before-Tax Contributions and Roth Contributions you make to the Plan and BJC 403(b) Plan, if applicable.

For most employees, your Elective Contribution Limit is $18,500 for 2018. This dollar limit may be increased in future years by the Secretary of the Treasury to reflect cost of living increases.

If you're eligible to make Catch-up Contributions, the dollar limit for these contributions for 2018 is $6,000. This dollar limit may be increased in future years by the Secretary of the Treasury to reflect cost of living increases. In other words, if you're eligible to make Catch-up Contributions, your Elective Contribution Limit for 2018 is $24,500.

You can also call Vanguard Participant Services at 1-800-523-1188 to obtain information about future changes to the dollar limits described above.

Whether you have exceeded your annual Elective Contribution Limit is determined by the total amount of any Elective Contributions you make under this BJC 401(k) Plan and under other plans, including:

- a Section 403(b) or TSA plan,
- a Section 401(k) plan,
- a Section 408(k) Simplified Employee Pension (SEP) plan,
- a Section 501(c)(18) employees' trust.

This rule applies even if the Elective Contributions are made under a plan with a different or unrelated employer.

If in any calendar year the total amount of your Elective Contributions exceeds the Elective Contribution Limit, you may request a refund of your excess Before-Tax Contributions or Roth contributions no later than March 1st of the next calendar year from one or more of the plans. IF YOU DO NOT MAKE SUCH A REQUEST, YOU WILL BE SUBJECT TO TAX (AND APPLICABLE INTEREST AND PENALTIES) ON THE CONTRIBUTIONS THAT EXCEED YOUR ELECTIVE CONTRIBUTION LIMIT. IF YOUR BEFORE-TAX CONTRIBUTIONS AND ROTH CONTRIBUTIONS UNDER THIS PLAN ALONE EXCEED YOUR ELECTIVE CONTRIBUTION LIMIT, THE EXCESS WILL BE RETURNED TO YOU AUTOMATICALLY BY VANGUARD. If you think your Elective Contributions exceed your Elective Contribution Limit, you may want to check with your tax advisor and contact the Plan Administrator for more details regarding your options.

Under the applicable limit, your Elective Contributions can't be more than 100% of your Compensation. Also, the total of your Elective Contributions, any Matching Contributions, and any other contributions under this Plan and the BJC 403(b) Plan can't be more than 100% of your Compensation.

Can I change the percentage that I contribute?

Yes, you may change the percentage of your Compensation that you choose to contribute. You must make changes through Vanguard, using the website, VOICE® Network, or by speaking with a Vanguard Participant Services associate.
Your change will take place with the next available pay period for Before-Tax Contributions or Roth Contributions, as applicable, to be made that next occurs as soon as administratively practicable after your Employer receives the change from Vanguard.

**Matching Contributions**

**How much does my Employer contribute for me?**

Currently, the Plan provides a Matching Contribution as follows:

<table>
<thead>
<tr>
<th>If you're a Match-eligible Employee and you make Before-Tax Contributions of:</th>
<th>Your Employer's Matching Contribution is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1% of Compensation</td>
<td>1.00% of Compensation</td>
</tr>
<tr>
<td>2%</td>
<td>1.25%</td>
</tr>
<tr>
<td>3%</td>
<td>1.50%</td>
</tr>
<tr>
<td>4% or more</td>
<td>1.75%</td>
</tr>
</tbody>
</table>

The maximum Matching Contribution is 1.75% of Compensation.

If you work for more than one Participating Employer, the formula applies to your Compensation with all Participating Employers.

If you're a Non-highly-Compensated Employee, you must make your Before-Tax Contributions under the BJC 401(k) Plan to get the Matching Contributions under the BJC 401(k) Plan. If you're a Highly-Compensated Employee, you must make your Before-Tax Contributions under the BJC 403(b) Plan, in order to get the Matching Contributions under this BJC 401(k) Plan.

**On what pay is the Matching Contribution computed?**

The Matching Contribution is based on Compensation, which has a special Plan meaning.

"Compensation" means the gross amount of wages as reported on Box 1 of your Form W-2 provided by your Employer for the Plan Year, for services rendered with respect to your Participating Employer.

To figure Compensation, add to the Box 1 amount the following amounts:

- any salary-reduction contributions made on your behalf by your Participating Employer under a plan maintained under Internal Revenue Code Section 125, 132(f)(4), 401(k), 402(a)(8), 403(b), or 457(b); and

then subtract from that result the following amounts:

- taxable reimbursements and other expense allowances,
- taxable cash and noncash fringe benefits,
- taxable moving expenses,
- currently taxable benefits under nonqualified deferred compensation plans,
- taxable welfare benefits,
- taxable tuition reimbursement payments,
- taxable adoption assistance payments, and
- severance payments

to the extent such amounts are reported on Box 1 of your Form W-2.

In determining Compensation further adjustments will be made in accordance with the schedule of "Deductions and Other Earnings" maintained by BJC on behalf of your Employer from time to time.

In order to be considered Compensation, compensation generally must be paid or treated as paid to you before your severance from employment. However, compensation paid by the later of 2½ months after your severance from employment or the end of the year that includes the date of your severance from employment shall be treated as Compensation to the extent such amounts are compensation for services rendered that would have been paid absent your severance from employment, payments of accrued vacation or other leave you would have been able to use if your employment had continued, or payments of unfunded nonqualified compensation that would have been paid at the same time if you had continued in employment.

Your Compensation - the amount on which your Matching Contributions are determined - is limited to $275,000 for 2018. This dollar limit may be increased in future years by the Secretary of the Treasury to reflect cost of living increases. You can call Vanguard Participant Services at 1-800-523-1188 Monday through Friday from 7:30 a.m. to 8 p.m., Central time, to obtain information about future changes to this dollar limit.

**When does my Employer make Matching Contributions?**

If you're an Eligible Employee who is eligible for Matching Contributions and you make Employee Basic Contributions, your Employer will make initial Matching Contributions each pay period as your Before-Tax Contributions are credited to your Plan Account. As of the close of the last pay period in each Year, BJC and your Employer will adjust your Matching Contributions, if necessary, as explained in the following question-and-answer.

**Does my Employer adjust Matching Contributions for a Year?**

Each pay period your Employer will make Matching Contributions based on applying a percentage (not more than 1.75%) to that pay period's Compensation.

In certain cases, BJC will make an additional Matching Contribution as of the close of the last pay period in each Plan Year. If your Before-Tax Contributions are limited by the Elective Contribution Limit (as described under the heading "Is there a limit on how much I may contribute"), BJC will adjust the Matching Contribution so that it's based on Compensation and Before-Tax Contributions for the Year. For situations in which a Participant's Before-Tax Contributions for a Year are more than zero, less than 4% of Compensation, and is a percentage of Compensation other than 1.00, 2.00, or 3.00, the Employer will make Matching Contributions by calculating the actual percentage of Before-Tax Contributions and rounding up to the next whole percent. If an addition is needed to adjust a Year's Matching Contribution from its initial Matching Contribution, the addition is without interest and without adjustment for investment gain or loss. However, if a Year's Matching Contribution is more than what it "should have
been", then no adjustment will be made. You must have been employed during the last payroll period of the Plan Year and made Before-Tax Contributions at least equal to the Elective Contribution Limit for the year to receive this additional Matching Contribution.

Vesting

When do the retirement savings belong to me?

To be "Vested" in your Plan Account means that you cannot forfeit the retirement savings in that Account if you terminate employment with your Employer.

When am I vested in my Contributions?

You're always fully Vested in your Before-Tax Contributions Account and Roth Contributions Account.

When am I vested in my Employer's Matching Contributions?

You become 50% Vested in your Matching Contributions Account when you've completed one Year-of-Vesting-Service (explained below). You become fully Vested in your Matching Contributions Account when you've completed two Years-of-Vesting-Service. Also, your Matching Contributions Account becomes fully Vested when you reach age 65 or on your death or total and permanent Disability that occurs before your Severance.

If you leave BJ C with less than one Year-of-Vesting-Service, you forfeit your Matching Contributions Account. If you leave BJ C with one but less than two Years-of-Vesting-Service, you forfeit half your Matching Contributions Account.

What happens to forfeited amounts?

BJ C uses forfeited amounts to pay some Plan expenses or to make future employer contributions.

Service crediting

What is a Year-of-Vesting-Service all about?

To decide how much of your Matching Contributions Account is Vested, we need to know whether you've completed one or two Years-of-Vesting-Service (or if you haven't completed any Years-of-Vesting Service).

Because of this, it's important to count accurately just how much Service you've completed. To do this the Plan uses the Elapsed Time Method for crediting Service.

What counts as a Year-of-Vesting-Service?

You complete a Year-of-Vesting-Service when you complete – without a Break-in-Service – a period of Service that equals a year or 12 months. Any Service you complete before you reach age 18 is not counted.
In some cases, Years-of-Vesting-Service also includes service with an entity that was acquired by the Plan Sponsor or an Affiliate.

**What happens if I leave work?**

If you take a leave from work, or if you terminate employment and are later re-hired, special rules may apply to how your Years-of-Vesting-Service is counted.

On a leave or termination from employment, if you return to work within 12 months from the date that you left work, you'll be credited with Service for your time away from work. If you're away from work for a period of 12 consecutive months or more, you'll have a Break-in-Service. However, a Break-in-Service doesn't include any time that is an Authorized Absence.

If you have five consecutive Breaks-in-Service, Years-of-Vesting-Service before the Break-in-Service will not count for determining whether you are Vested in your Matching Contributions. If you have less than five consecutive Breaks-in-Service, your pre-break service will count to determine Years-of-Vesting-Service if you complete a Year-of-Vesting-Service after your Break-in-Service.

**What happens if I take a maternity or paternity leave?**

When you're away from work under a qualified Parental Absence (explained below), the 12-consecutive-month period ending on the first anniversary of the date on which you began your Parental Absence isn't a Break-in-Service.

To receive credit for a qualified Parental Absence, the Plan Administrator will require you to submit proof of the reasons for your absence and the number of days of absence for those reasons. Before you take an absence or leave, you should make sure that your absence qualifies under all Plan rules. Also, you should ask the Plan Administrator how your absence or leave will affect your Years-of-Vesting-Service.

**What is a qualified Parental Absence?**

A qualified Parental Absence is an absence you take from work because of:

- your pregnancy,
- the birth of your child,
- your adoption of a child,
- the placement of a child with you for adoption,
- your care of a child immediately following the birth or adoption of the child or the placement of the child with you.

You must submit written proof that your absence from work is for one or more of these reasons.

The fact that a leave is recognized under a Federal or state family or medical leave law does not make an absence a Parental Absence.
What if I'm away from work on military service?

If you perform duty in a Uniformed Service (such as any of the Armed Forces or the National Guard) and are immediately reemployed, Service in the Uniformed Services counts as Service to calculate Years-of-Vesting-Service. Also, you won't be treated as having incurred a Break-in-Service because of your Service in the Uniformed Services. If you die while performing military service, you will become fully Vested in your Matching Contributions Account. These special rules apply only to the extent required by the Federal Uniformed Services Employment and Reemployment Rights Act of 1994.

Rollovers into the Plan

Will the Plan accept rollovers from other retirement plans?

Yes. If the Plan Administrator approves the transaction as meeting the Plan's rules, you may roll over into the Plan an Eligible Rollover Distribution you receive from a former employer’s Eligible Retirement Plan or from an IRA. By making a rollover, you continue to defer Federal income tax on the amount rolled over. To make a rollover contribution, you must do either of the following: (1) instruct the payor of the Eligible Rollover Distribution to pay it as a direct rollover into the Plan; or (2) pay your rollover contribution into the Plan within 60 days after your distribution from the other Eligible Retirement Plan.

Along with other conditions, you must certify that the plan the rollover comes from is a tax-qualified Eligible Retirement Plan.

Notwithstanding anything to the contrary contained in this SPD, generally no after-tax contributions may be rolled-over into the Plan. However, you may also request a direct rollover of Roth Contributions from another employer plan.

Must I be a Participant before I make a rollover into the Plan?

No. Any Eligible Employee may make a Rollover Contribution, even if he or she isn't otherwise a Participant.

From what kinds of plans may I make a rollover into the Plan?

A Rollover Contribution must be a rollover of an Eligible Rollover Distribution from an Eligible Retirement Plan (including a traditional IRA). You may also request a direct rollover of Roth Contributions from another employer plan.

How you can borrow from your Plan Account

Can I borrow money from my Plan Account?

Yes, you may take out a loan from your Plan Account so long as you are an active Participant in the Plan and you have a Vested Account balance of $2,000 or greater. Any such loan is subject to additional terms and conditions set forth in the Loan Policy established by the Plan Administrator under the Plan. You may
obtain, without charge, a copy of the Loan Policy by requesting it in writing. The Plan Administrator may change the Loan Policy at any time and from time to time.

**What is the smallest loan I can take?**

You may take a general purpose loan of as little as $1,000 (but not less). The minimum amount of any principal residence loan is $5,000.

**Is there a limit on the amount that I may borrow?**

Yes. The Internal Revenue Code limits how much you may borrow from your Plan Account. In general, under these rules, the most you may borrow from the Plan and from all other plans maintained by your Employer is the lesser of:

- $50,000
- 50% of your Vested Account balance.

If you had any Plan loan or other similar loan outstanding during the previous 12 months, your $50,000 limit is reduced by the difference between the amount of your highest outstanding loan balance at any time during the preceding 12-month period and the amount of your outstanding loan balance the day before you take the next loan. Further, the amount of all outstanding plan loans (with your Employer and Affiliated Employers) combined can never be more than $50,000.

In addition to these limits set by the Internal Revenue Code, the Plan Administrator may make limits that are more restrictive. Please refer to the then current Loan Policy for any such additional limits.

**How long can I have a loan?**

For most loans, the repayment period can’t be more than four years.

If you certify to us that you’ll use the loan within 90 days to buy (or refinance) your principal residence and your loan is at least $5,000, you may choose a loan repayment period up to 15 years.

**Can I take out more than one loan?**

No, you may only have one loan outstanding at any time from any defined contribution plan sponsored by BJC. This means that if you have an outstanding loan under the BJC 403(b) Plan, you are not able to take out a loan under this Plan. In addition, once you pay off your loan balance (including all principal and accrued interest) or have an offset against your Vested Account balance, you will have to wait six months from the date of payoff or offset before you are permitted to take another loan from either this Plan or the BJC 403(b) Plan.

In addition, if you currently have or plan to request a loan under a 403(b) tax-sheltered annuity product that you purchased with payroll deductions while working for BJC or an Affiliate before April 1, 2001, you should consult your tax adviser before taking a loan from this Plan.
How can I find out more about the terms and conditions of a loan?

Additional terms and conditions for taking out a loan under the Plan are set forth in the then current Loan Policy. In addition to other terms and conditions, the Loan Policy will specify the minimum repayment period, the applicable loan interest rate, the amortization requirements, loan repayments, investment of loan repayments, what happens if you take a leave of absence, what happens if you leave work or miss a payment on your loan, what happens if you default on your loan, and the fees and costs for taking a loan.

If you're in default on your Plan loan, the Plan will subtract any missing payments, with interest, from your Plan Account as soon as you turn age 59 1/2 or experience a Severance.

How do I get a Plan loan?

To apply for a loan, you must contact Vanguard online at www.vanguard.com or by calling the VOICE® Network or Vanguard Participant Services at 1-800-523-1188 and speaking with a Participant Services Associate. Once the loan is confirmed, Vanguard will mail the loan check to your address of record within three to five business days. Your endorsement of the loan check indicates your acceptance of the loan provisions and the terms and conditions in the then current Loan Policy.

Please understand that depositing, endorsing, or cashing a Loan check is your acceptance and agreement of the loan provisions, and the terms and conditions in the then current Loan Policy. If you're not sure that everything is correct, return the check to Vanguard.

How can I get help?

For help, please call Vanguard Participant Services at 1-800-523-1188. While Vanguard will try to answer your questions, please remember that any Vanguard employee does not give investment, tax, or legal advice. Also, final decisions concerning loans are made by the Plan Administrator, not Vanguard.

Why should I be careful about deciding to take a loan?

By taking a loan, you might lose money that you originally invested in your retirement savings. Since your Account is making the loan to you, only you (and your Spouse or other Beneficiaries) are harmed if you fail to pay back a loan. Even if you fully repay your loan, your Account's investment result may be less than it could have been if you hadn't taken the loan. Although you pay interest on your loan, the loan means that some of your retirement savings are not available for investment.

Your choice to take a loan is your choice alone. Just as with other Account investment decisions, you alone are responsible for your investment decision to make a loan to yourself. BJC, the Plan Administrator, your Employer, and all other plan fiduciaries are excused from liability for any loss or harm that arises from your decision to take a Plan loan.
If you need Plan money before your retirement

Can I withdraw my Plan money whenever I want to?

Your Plan is for retirement savings. You can't take a Retirement Distribution until after you turn age 59½, or you experience a Severance.

Before you leave work or turn age 59½, you may take a Hardship Distribution (explained below) in certain limited circumstances. Also, you may be able to get a Plan loan (explained above).

What if I suffer a financial hardship?

You may request a Hardship Distribution when you have an approved hardship.

To get a Hardship Distribution, you must state that you have a hardship (as explained below), and that you can't satisfy your financial obligations by any means other than using some of your Plan money. If your Hardship Distribution is approved, your Account will be charged an administrative fee, currently $100.

Your Plan has procedures you must follow to apply for a Hardship Distribution. Contact Vanguard at 1-800-523-1188 to get the form you must complete to show your hardship.

How much may I withdraw if I take a Hardship Distribution?

If your request for a Hardship Distribution is approved, your Hardship Distribution can't be more than what's necessary to satisfy your hardship. Also, a Hardship Distribution can't be more than the sum of your Before-Tax Contributions and Roth Contributions (without investment earnings) and your Vested Matching Contributions Account.

What's a hardship?

To get a Hardship Distribution, you must have an immediate and heavy financial need and you must have first used other sources of money available to you.

You may take a Hardship Distribution to:

post-secondary education
pay tuition, room and board expenses and related educational fees for the next 12 months of post-secondary education for you, your spouse, or your dependents.

home purchase
pay costs directly related to the purchase of your principal residence. A Hardship Distribution can't be used to help you make mortgage payments.

eviction/foreclosure
pay the amount needed to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.

medical expenses
pay uninsured medical expenses for you or your spouse or dependent (excluding medical expenses that cannot be deducted for federal tax purposes, such as cosmetic procedures).
funeral expenses pay for funeral or burial expenses for your deceased parent, spouse, child, or dependent.

casualty repair of residence pay for the repair of uninsured damage to your home caused by certain catastrophic events that would be deductible under the Internal Revenue Code.

(A dependent is someone you're entitled to claim as an exemption on your Federal tax return.)

To get a Hardship Distribution, you must first use any Plan loan and any available retirement plan distribution other than a Hardship Distribution.

For a Hardship Distribution, you must have a hardship need as described above and meet all of the following rules to show that a Hardship Distribution is deemed necessary to satisfy your financial need:

- The distribution is no more than the amount of your immediate and heavy financial need. But the need amount may include any amounts you'll need to pay any Federal, state, and local income taxes and penalty taxes reasonably anticipated to result from the distribution.

- You took all distributions, other than hardship distributions, and all loans currently available under all retirement plans maintained by your Employer.

- You can't make Before-Tax Contributions or Roth Contributions under this Plan (and you can't make elective contributions or employee after-tax contributions to any plan maintained by your Employer other than a cafeteria plan) for six months after you receive the Hardship Distribution.

How am I taxed on the amount that I receive as a Hardship Distribution?

The amount that you receive will be subject to Federal and state income taxes, and in most cases will be subject to a 10% penalty tax on early withdrawal. Check with your financial advisor for more information.

Your Retirement Distribution

When may I receive my Benefit?

You can't take a Retirement Distribution until after you turn age 59½, or you experience a Severance. On your Severance from employment, you are entitled to receive a Retirement Distribution, but you must take your entire Vested Account in a single lump sum. If you are still working for any Participating Employer and have attained age 59½, you may take a distribution of all or any portion of your Vested Account.

Or, after this time, you can simply wait - as long as you take payment not later than your Required Beginning Date (explained below).

However, if you experience a Severance and your vested Account balance is $1,000 or less, your vested Account balance will be distributed to you as soon as administratively feasible in the form of a lump-sum. If you experience a Severance and your vested Account balance is greater than $1,000 but does not exceed
$5,000, and you do not elect to receive your distribution either directly or as a rollover to an Eligible Retirement Plan, your Vested Account balance will be automatically and directly rolled over in a lump sum cash payment to an individual retirement plan established on your behalf with Vanguard Fiduciary Trust Company. The funds rolled over to the Vanguard Fiduciary Trust Company IRA will be invested in the Vanguard® Prime Money Market Fund, an investment product designed to preserve principal and provide a reasonable rate of return and liquidity. Fees and expenses associated with this Vanguard Fiduciary Trust Company IRA are your responsibility and are payable from the account. However, these fees and expenses will not exceed the fees and expenses charged by Vanguard Fiduciary Trust Company for comparable IRAs not established through an automatic rollover. Information regarding the Vanguard Fiduciary Trust Company IRA, how to access your account, administrative fees and your ability to change your investments in this account are available by calling Vanguard Participant Services at 1-800-523-1188.

**When must I receive my Benefit?**

You must begin receiving distributions from the Plan no later than April 1 of the calendar year following the calendar year in which you turn age 70½, if you've retired. If you're still working, you must begin receiving your distributions no later than April 1 of the calendar year following the calendar year in which you retire. This date by which you must begin receiving your distributions is called your "Required Beginning Date."

If you have reached your Required Beginning Date, the Plan will distribute to you, each year, no less than the minimum amount required by law.

**In what form does the Plan pay my Benefit?**

Generally, the Plan pays your distribution as a cash lump sum distribution of your entire vested Account. However, if you are still working for a Participating Employer and are age 59½ or older, you may elect a cash distribution of all or a portion of your vested Account. If you have reached your Required Beginning Date, the Plan will distribute to you, each year, no less than the minimum amount required by law.

If you're interested in different payout options to spread out income during your retirement, you may direct a rollover to an IRA or another employer's Eligible Retirement Plan.

**How do I make a Direct Rollover?**

If your distribution is an Eligible Rollover Distribution and exceeds $200, you may direct payment of all or a portion of your distribution to an Eligible Retirement Plan. You will receive a notice if your distribution is an Eligible Rollover Distribution.

**Your Death Benefit**

**What happens if I die before I receive my Benefit?**

If you die before your entire Account is distributed, your Beneficiary is entitled to your Account balance.
You should know that this death Benefit belongs to your surviving Spouse (even if you named a different Beneficiary) unless you and your Spouse choose otherwise by jointly making a Qualified Election. See page 20.

**How does the Plan know who I want to receive my Benefit if I die?**

Except as required by the rules that protect your Spouse (see page 20), you may choose as a Beneficiary any person. You may designate any number of Beneficiaries. You can also specify different "classes" of Beneficiaries - for example, one or more "primary" Beneficiary(ies), and then one or more "contingent" Beneficiary(ies) who get any remaining Benefit if your "primary" Beneficiary(ies) dies before you do. If you name more than one Beneficiary, we'll assume that all Beneficiaries of the same class should get equal shares, unless you specify otherwise.

A Beneficiary Designation that names a Beneficiary other than your current Spouse is NOT valid unless you filed a Qualified Election that was consented to by your current Spouse. See page 20 for an explanation of the Spouse's consent rules and the procedure for making a Qualified Election. Also, a Beneficiary Designation that names a Beneficiary other than your Spouse or former Spouse named in a Qualified Domestic Relations Order is NOT valid.

You must name your Beneficiary(ies) on the form required by the Plan Administrator. Your Beneficiary Designation is effective when received in good order by or on behalf of the Plan Administrator.

If you don't make a Beneficiary designation (or your designation is invalid), your Spouse - if there is a Spouse - is your Beneficiary; or, if there is no Spouse, to your surviving children; or if there is no Spouse or surviving children, to your surviving parents; or if there is no Spouse, surviving children or surviving parents, to your estate.

If payment of your retirement Benefit is to be made to a Beneficiary who is a minor under state law, special rules will apply.

**What if I don't have a Spouse?**

If you don't have a Spouse, you may make any Beneficiary Designation you choose.

Any Beneficiary Designation you may make now is NOT effective if there is a surviving Spouse when you die and you didn't file a Qualified Election consented to by that Spouse.

**When I am a Beneficiary entitled to a death Benefit, when may I receive payment?**

If you're a Beneficiary, you may receive a distribution at any time following the Participant's death. However, you must receive your Benefit no later than the time explained below, which varies based on whether you're the surviving Spouse or not.

However, if the Account balance to which you are entitled is $1,000 or less, it will be distributed to you as soon as administratively feasible in the form of a single lump sum.
If I am the Spouse entitled to a death Benefit, when must I receive payment?

If you're the Participant's surviving Spouse, you must receive payment no later than five years from the date of the Participant's death, or the December 31 of the calendar year the Participant would have turned age 70½.

If I am a Beneficiary but not the surviving Spouse, when must I receive payment?

If you're not the Participant's surviving Spouse, you must receive payment within five years from the date of the Participant's death.

A non-Spouse Beneficiary may directly rollover any Distribution received as a Beneficiary under the BJC 401(k) Plan to an eligible IRA. The direct rollover must be made to an IRA established on behalf of the designated non-Spouse Beneficiary and will be treated as an inherited IRA pursuant to the provisions of Internal Revenue Code Section 402(c)(11), as may be amended from time to time.

Making sure you protect your Spouse

What rights does my Spouse have concerning the payment of my Account?

If you die before you receive your Benefit, your surviving Spouse is entitled to your Account, unless he or she consented to your Qualified Election.

What is a Qualified Election?

A Qualified Election is an Election that your Spouse consented to. Your Spouse's consent must indicate his or her acceptance of the particular Beneficiary Designation you are making.

Any consent given by a Spouse is effective only for that person. If you later have a different Spouse, you may make a Qualified Election only by obtaining the consent of your new Spouse.

If you didn't file a Qualified Election before your death, your surviving Spouse is entitled to receive all of your death Benefit under the Plan.

Your Spouse's consent must be in writing, and his or her signature must be witnessed by an authorized representative of the Plan Administrator or a Notary. (A Vanguard employee can't serve as the witness or Notary for your Spouse's consent.)

How do I file a Qualified Election?

Because your Qualified Election must conform to specific legal requirements, the Plan requires you to use special forms provided for this purpose. You must use the forms furnished by or on behalf of the Plan Administrator. These forms also are available from Vanguard.
Plan investments

How is my Plan money invested?

You can designate the investments in which you wish to invest your Plan Account. You can choose from the investment options available under the Plan. You have a range of investment choices that you can tailor to your needs, and change as your needs change. Upon and after your death, your Beneficiary must direct investment of his or her Plan Account. The Plan also offers a managed account program in which you allow an investment advisor to manage the investment of your Plan Account (described under the heading "What is the Vanguard Managed Account Program?").

If you are subject to the automatic enrollment feature described above, and you do not designate how your Plan Account will be invested, your Plan Account will be invested in the Plan's default investment option. (The fund selected as the default investment option under the Plan is described under the heading "What happens if I don't specify my investment choices?")

Subject to each fund's trading restrictions, any purchase fees, or other limitations, you can change your investment direction before you are automatically enrolled or thereafter by contacting Vanguard.

What are my investment options?

You choose from a list of core investment options available under the Plan. You have three ways to get a current list of the Plan's core investment options:

- **Online.** Check the Plan's investment options at www.vanguard.com.
- **VOICE® Network.** Call the VOICE® Network at 1-800-523-1188. For the VOICE® Network, you will need your PIN.
- **Telephone.** You can call 1-800-523-1188 and speak with a Vanguard Participant Services associate Monday through Friday, 7:30 a.m. to 8 p.m., Central time.

The Plan requires you to direct the investment of your Plan Account, but you may choose to participate in the managed account program described below.

In addition to the core investment options, the Plan offers a self-directed brokerage window (described below under the headings “Does the Plan offer a self-directed brokerage option?” and “What is the VBO?”).

How do I get investment information?

Prospectuses will be furnished to you as part of your enrollment package. In addition, you may request a copy of a fund's prospectus from Vanguard. Vanguard can give you a fund's annual or semi-annual report, if any. You may use the Vanguard website or call Vanguard Participant Services to request these documents.
What does a prospectus tell me?

A prospectus or fact sheet gives you some basic information you should know before you decide to direct your Plan investments. You should carefully read the prospectus, and you should keep it for future reference.

Along with other important information, the prospectus or fact sheet will tell you:

- the investment objective of each fund or investment option,
- what securities each fund may invest in,
- how the value of your investment is calculated,
- the expenses of the fund, and
- restrictions on your investments.

Why do I need to read the investment information?

You alone are legally responsible for your investment decisions. When you make your decisions every day, the law charges you with knowing all the information in any prospectuses and reports delivered or available to you. What's more, the law charges you with knowing all the information in any prospectuses and reports you could have obtained, even if you didn't think to ask. So it's in your interest to read carefully all the available investment information.

Your Plan is intended to comply with ERISA Section 404(c), a Federal law which says that you alone are responsible for your investment choices, and BJC, your Employer, Vanguard, the Plan Administrator, and all other Plan fiduciaries are relieved from any liability or responsibility for your investment decisions.

What happens if I don't specify my investment choices?

If you fail to specify your Plan investment direction, the Plan Administrator will invest your Plan Account in the Plan's default investment option. Currently, the fund selected as the Plan's default investment option is the Vanguard Target Retirement Fund with the closest target retirement date to the date you will reach age 65.

Will my Plan Account be charged based on the investment options I choose?

Yes. In addition to any fees and expenses charged against a Fund or other investment option, your Plan Account may be charged for any expenses that result from your investment decisions.

Will recordkeeping fees be charged to my account?

Yes. Your Plan Account will be charged the following annual amount for recordkeeping fees: $49 for accounts with balances $5,000 or greater; or $20 for accounts with balances less than $5,000. This fee will be deducted on a quarterly basis based on the value of your Account as of the last day of the preceding quarter – March 31, June 30, September 30 and December 31.
Does the Plan offer a self-directed brokerage option?

Yes. The Plan offers a self-directed brokerage option to Participants in addition to the core funds selected by the Plan Administrator.

The self-directed brokerage option in the Plan is referred to as the Vanguard Brokerage Option (VBO) and is provided through an affiliate of our record keeper, Vanguard.

What is the VBO?

The VBO is designed for experienced investors who want more control over their investments. It offers a wider selection of mutual fund investments to choose from. You may invest in the VBO by transferring contributions to the account, subject to the following minimum amounts:

- initial transfer of $5,000
- subsequent transfers of $5,000

When you open a VBO account, you are opening a brokerage account within the Plan. To invest using a self-directed brokerage account, you must transfer money from one or more of the Plan's other investment options. A maximum of 95% of your Plan Account may be allocated to the VBO.

You can enroll in a self-directed brokerage account online at www.vanguard.com or by speaking with a Vanguard associate at 800-339-4515 (select option 2). Once you have completed Vanguard's application process, a self-directed brokerage account will be opened for you. You may transfer from the VBO to any other investment funds under the Plan and transfer among the different investment options offered under the VBO. A $50 charge will be deducted from your core investments accounts each year you participate in the VBO. Contact Vanguard for more information concerning additional fees, commissions and expenses associated with the VBO.

A self-directed brokerage account is not for everyone. If you are an experienced investor willing to take on additional risk, and are prepared to assume the responsibility of more closely monitoring this portion of your portfolio, it might be an attractive option for you. However, if you do not feel comfortable actively managing a portfolio of individual mutual funds, you may find that the Plan's core options or the Vanguard Managed Account Program discussed below may be more appropriate.

VBO assets are not directly available to fund loans or in-service withdrawals. However, the value of VBO investments will be included in determining the amount available for a loan. You must exchange out of the VBO account into the core Plan investments if you want a loan or withdrawal from your VBO account assets.

What is the Vanguard Managed Account Program?

This is a discretionary, fee-based advisory service providing clear and objective advice. The program provides personalized and professional account management strategies for participants, taking into consideration intended retirement ages, relative risk tolerances, and non-Plan investments. Vanguard provides the managed account program in partnership with Financial Engines, one of America's largest independent registered investment advisors. This program provides you with on-going management of your Plan Account, rebalances the assets of your Plan Account periodically, and makes appropriate
allocation and investment changes over time. The program offers you the comfort of knowing that professionals are monitoring your Plan investments. If you enroll:

- You receive on-going reallocation and management of your portfolio of investment options available in the Plan.
- You are charged an on-going fee based on the assets under management. See below for specific information on fees for the Vanguard Managed Account Program.
- You are restricted from conducting exchanges, rebalances, and allocations of your Plan Account (unless you withdraw from the program).

Managed Account Program Fees

Each program participant pays fees based on a percentage of total assets in his/her Account managed in the program (excluding loan balances, but including any balance enrolled in the program through the BJC 403(b) Plan) according to the following schedule:

- 40 basis points (0.4%) per year for the first $100,000;
- 30 basis points (0.3%) per year for the next $150,000;
- 20 basis points (0.2%) per year for the next $250,000; and
- 10 basis points (0.1%) per year for assets over $500,000.

Please note that there is a minimum annual aggregate fee (from both your BJC 401(k) Plan and BJC 403(b) Plan enrolled in the program, if any) of $60 per participant.

Non-discrimination rules

Are there special rules that might limit Contributions by higher-paid Employees?

Each calendar year the Plan Administrator must test whether the average Matching Contribution percentage (called the "ACP") for the group of Highly Compensated Employees is greater than the average for Non-highly Compensated Employees by more than a certain proportion allowed by the Internal Revenue Code.

If the Plan doesn't meet this ACP Test and you're a Highly Compensated Employee, the Plan Administrator might be required to forfeit or return to you some of your Matching Contributions (with investment earnings).

Who is a Highly Compensated Employee?

For a calendar year, you're a Highly Compensated Employee if your total compensation was more than a specified amount for the preceding calendar year. For 2018, you are a Highly Compensated Employee if your total compensation was $120,000 or more in 2017. This dollar limit might be increased for later years. You can call Vanguard Participant Services at 1-800-523-1188 to obtain information about future changes to this dollar limit.
Other ways Benefits might be limited or decreased

Under what other conditions might Benefits be limited or decreased?

Investments fluctuate in value with economic and market conditions. Therefore, the value of your accounts will also fluctuate. There is no guarantee that you will receive any specific amount from the Plan or even the amount of contributions allocated on your behalf under the Plan.

The Plan is intended to constitute a plan described in ERISA Section 404(c) and Section 2550.404c-1 of Title 29 of the Code of Federal Regulations. The fiduciaries of the Plan are relieved of liability for any losses that are the direct and necessary result of investment instructions you or your Beneficiary give to the fiduciaries.

Employer contributions may be returned to the Employer if a contribution was made by a mistake of fact or the Employer makes a contribution that isn't deductible for Federal income tax purposes.

Qualified Domestic Relations Order

If I divorce or separate, or have to pay child support, can the court order payments to come from my Plan money?

Yes. When the Plan Administrator receives a court order that directs the Plan to provide for payments to your Spouse or former Spouse or to your child or other dependent, the Plan Administrator (or its designee) will decide whether the court order meets all the Plan's requirements to be a Qualified Domestic Relations Order (QDRO). The Plan charges a processing fee to your Account for review of a domestic relations order; the current fee is $700.00.

If the Plan Administrator (or its designee) decides that the court order is a QDRO, your Plan Account can be used to make payments to your Spouse or former Spouse, or to your child or other dependent. If a QDRO is approved, half of the Plan's processing fee will generally be charged to the account established for your Spouse or former Spouse, or to your child or other dependent.

If a court order is a QDRO, the Plan Administrator (or its designee) will instruct the Trustee to make payments to the other individual (the Alternate Payee) as specified by the court order. Also, the Plan Administrator (or its designee) will instruct the Trustee and Vanguard to prevent you from getting any payment that would interfere with the payments required by the QDRO.

How can I find out the rules the Plan Administrator uses in deciding whether a court order is a QDRO?

A Participant, his or her Spouse or former Spouse, a Participant's child or other dependent, or a lawyer for such a person can get a copy of the Plan's procedure for deciding whether a court order is a QDRO. You may obtain this document, without charge, by requesting it in writing. Send your request to The Vanguard Group, Attn: QDRO Determination Service, L25, P.O. Box 2900, Valley Forge, PA 19482-2900 (phone (888) 809-8104 / fax (484) 582-3034).
Changing or ending the Plan

Can BJC change the Plan?
Yes. BJC can change the Plan at any time.

Can amendments to the Plan be retroactive?
Yes. If BJC decides, any Plan change can take effect retroactively as long as the retroactive effect is permitted under applicable law.

What happens if BJC changes the Plan?
A Plan amendment can't reduce the amount credited to your Account before the date of the amendment. You remain entitled to your Vested Account as of the date preceding the effective date of the amendment.

Also, a Plan amendment can't decrease the Plan's vesting for your Account that was credited as of the date of the amendment.

Can BJC discontinue or terminate the Plan?
Yes. Although BJC adopted the Plan with the hope that it will be permanent, BJC can discontinue or terminate the Plan at any time.

If the Plan is terminated, your Account will be 100% Vested and non-forfeitable and will be distributed to you as soon after the termination as BJC determines appropriate, within any time frames required by applicable law.

Will I be told if the Plan is terminated?
Yes, BJC will give you notice of any termination of the Plan if required by applicable law.

No Pension Benefit Guaranty Corporation Coverage

Does the Pension Benefit Guaranty Corporation (PBGC) cover the BJC 401(k) Plan?
The PBGC does not insure the Plan. PBGC coverage isn't provided because this Plan is an individual account plan under which Benefits are based solely on the amount of Employee and Employer Contributions together with investment earnings and losses allocated to your Account.
Claims and Appeal Procedure

How do I make a Claim for Benefits?

You may Claim any Benefit by filing with the Director of Benefits (on behalf of the Plan Administrator) a written Claim that includes any further evidence the Plan Administrator requires. Depending on the nature of your Claim, the Plan Administrator may require proof of your identity, proof of the Participant's death, proof of the Participant's age, or other information necessary or appropriate to determine that all Plan requirements and provisions are met. To submit a Claim, you must use the following address:

BJC 401(k) Plan
Attn: Director of Benefits
Mail Stop 92-92-248
8300 Eager Road, Suite 300C
St. Louis, Missouri 63144

Upon receipt of your Claim, the Director of Benefits will review your Claim and render a decision within 90 days. If special circumstances require an extension of time beyond the initial 90-day period, prior to the end of the initial 90-day period the Director of Benefits will give you written notice of the extension, the special circumstances requiring the extension, and the date by which the Director of Benefits expects to render a final decision. In no event will an extension exceed a period of 90 days from the end of the initial 90-day period. If the Director of Benefits does not respond within the initial 90-day period or extended period, you will be deemed to have exhausted the claims and review procedures and you will be entitled to file suit in state or federal court.

What should I do if my Claim is denied?

If your Claim is denied in whole or in part, you will receive a written decision setting forth:

- The specific reasons for the denial;
- The specific references to pertinent Plan provisions on which the denial is based;
- A description of any additional information necessary for you to perfect your claim and why such information is necessary; and
- An explanation of the claim review procedure and the time limits applicable to such procedures, including a statement of your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.

Your request for a review must be addressed to:

BJC 401(k) Plan
Attn: Plan Administrator
Mail Stop 92-92-248
8300 Eager Road, Suite 300C
St. Louis, Missouri 63144

The request for review must be made within 60 days after your receipt of the original decision or else your right to challenge the decision will be lost. The Plan Administrator will, within 60 days of the receipt of your request, review and decide the case and render a detailed written decision. If special circumstances
required an extension of time beyond the initial 60-day period, prior to the end of such initial 60-day period the Plan Administrator will provide you written notice of the extension, the special circumstances requiring the extension, and the date by which the Plan Administrator expects to render a final decision. In no event will an extension exceed a period of 60 days from the end of the initial 60-day period. The Plan Administrator shall possess and exercise discretionary authority to make determinations as to a claimant's eligibility for benefits and to construe the terms of the Plan. You will receive a copy of the Plan Administrator's final decision, which is binding on both you and the Plan. Any denial will include the specific reason or reasons for the denial, refer to the specific Plan provisions on which the denial is based, state that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim, and state that you have the right to bring a civil action under ERISA Section 502(a).

**Under what circumstances may I bring an action against the Plan and in what court?**

You cannot bring any action against the Plan, the Plan Administrator or any Plan fiduciary in any court unless the claims and appeals procedures described above have been fully exhausted. Any Participant, Beneficiary or claimant asserting any action in connection to the Plan under ERISA Section 502, ERISA Section 510 or any other provision of ERISA shall do so, if at all, within one year after the cause of action accrued. A cause of action shall be deemed to have accrued the earliest of when the Participant, Beneficiary or claimant has exhausted his administrative remedies under the Plan, when the Plan Administrator fails to produce documents in the time or manner required by ERISA in response to the Participant's, Beneficiary's or claimant's written request, when the claimant first was advised that he was an independent contractor, when the Participant, Beneficiary or claimant first knew or should have known of the action allegedly violating ERISA Section 510, or when a Plan fiduciary has clearly repudiated the claim (even if not yet filed) and such repudiation is known to the Participant, Beneficiary or claimant. Failure to bring an action in court within this time frame shall preclude a Participant, Beneficiary or claimant from bringing any action in court.

Any action in connection with the Plan, whether brought under ERISA Section 502 or any other provision of ERISA by a Participant or Beneficiary under the Plan or any other person, may only be brought in a federal district court sitting within the Eastern District of Missouri.

**What if my Claim is about whether I'm Disabled?**

If your Claim is about whether you're Disabled, the Plan Administrator under this Plan doesn't consider whether you're Disabled. Instead, you must prove that you're Disabled by furnishing to the Plan Administrator a Social Security Administration determination or a decision under BJC's long-term disability plan that you're totally and permanently Disabled. Any claims, requests for reconsideration, appeals, and other procedures concerning whether you're Disabled are those provided by that plan. For information about that plan's procedures, please read that plan's summary plan description.

**What circumstances could cause a delay or reduction of Benefits?**

The following is a list of circumstances that could cause a reduction in your Benefit, or a delay in paying your Benefit:

- You fail to submit a Claim for your Benefit.
- You fail to furnish a birth certificate to prove the Participant's age.
• You submit an election certifying that you don't have a Spouse or that your Spouse can't be located, and the Plan Administrator has reason to believe that your statement is not correct or not truthful.
• You're the surviving Spouse or Beneficiary of the Participant, but you fail to furnish a death certificate proving the Participant's death.
• The Participant's attempt to name you as a beneficiary is invalid because the Participant didn't file a Qualified Election consented to by his or her surviving Spouse.
• You move, and don't tell your Employer and the Plan Administrator your new address.
• The value of your Plan investments declines.

Words to know

Because the Plan is a complex document, it includes (and this SPD also uses) several words that have specialized meanings. Federal laws provide some of the special meanings; for more details, you may ask for the Plan document. Here's an explanation of some of those words.

"Account"
means the bookkeeping account the Plan Administrator (using its service providers) keeps for a Participant, Beneficiary, or Alternate Payee under the Plan.

The Plan Administrator also keeps sub-Accounts to receive different kinds of Contributions. For example, your Before-Tax Contributions, Roth Contributions and Matching Contributions are kept in separate sub-Accounts.

"Affiliate" or "Affiliated Employer" means any entity that is a member of the "controlled group" of related entities with the Plan Sponsor, as determined under the tax law.

"Alternate Payee"
means someone who is an alternate payee under a court order that the Plan Administrator finds is a Qualified Domestic Relations Order (see below).

"Authorized Absence"
means an authorized temporary cessation from active employment with your Employer under an established, non-discriminatory policy.

"Before-Tax Contributions"
is explained under the heading "What are Before-Tax Contributions?".

"Beneficiary"
means each Person a Participant designates by a valid Beneficiary designation to receive any undistributed Benefit payable on or after the Participant's death. The Plan has strict rules concerning how you must submit your Beneficiary designation. Make sure that you get the right form and file it with the Plan Administrator.

Notwithstanding anything to the contrary in this SPD, only a beneficiary designation in a form acceptable to the Plan Administrator and on file with the Plan Administrator or the current record-keeper for the Plan will be valid. If you previously submitted a beneficiary designation form to a prior record-keeper, such designation is NOT valid. Please check your quarterly statements from the current record-keeper
(Vanguard) to see if you have a valid and current beneficiary designation on file. If you do not have a valid beneficiary designation on file, the section titled Your Death Benefit of this SPD describes more rules on the default distribution of death benefits.

"Benefit"
refers to a Participant's, Beneficiary's, or Alternate Payee's right to all or a portion of the Participant's Vested Account.

"Catch-up Contribution"
is explained under the heading "What are Catch-up Contributions?".

"Claim"
means a written request for a Benefit once the Plan Administrator receives it.

"Claimant"
means a Person who submits a Claim (or his or her or its authorized representative).

"Compensation"
is explained on page 9.

"Contributions"
refers to Contributions under the Plan, including Elective Contributions (Before-Tax Contributions, Roth Contributions and Catch-up Contributions) and Matching Contributions and Rollover Contributions.

Disability" or "Disabled"
means a Participant has received a Social Security Administration determination or, to the extent provided by 42 U.S.C. § 421, a State agency determination of disability, or the entity other than BJC, an Employer, or any Affiliate that makes such findings under BJC's long-term disability employee benefit plan so finds, and the Participant furnishes to the Plan Administrator a copy of that decision.

"Distributee"
means any Person who receives or but for his or her or its instruction to the Plan Administrator is entitled to receive a distribution.

"Elective Contributions"
means Contributions a Participant elects or is deemed to have elected to make to the Plan consistent with Section 401(k) of the Internal Revenue Code and the terms of the Plan.

Elective Contributions can be allocated only on Compensation paid during the time a Participant is an Eligible Employee.

A Disabled Participant may make Elective Contributions during his or her Disability to the extent that he or she has actual Compensation (not imputed compensation) from which to make Elective Contributions. However, Matching Contributions continue only for a Disabled Participant who is a Non-highly-Compensated Employee, and a Participating Employer will continue Matching Contributions only to the extent that the Disabled Participant actually makes Elective Contributions that are Before-Tax Contributions.
"Elective Contribution Limit" is explained under the heading "Is there a limit on how much I may contribute?".

"Eligible Employee" means an Employee who is not an Excluded Employee.

"Eligible Retirement Plan" means, following Federal tax law, a plan or contract into which this Plan is permitted to pay a Plan payment to an Eligible Retirement Plan specified by the Distributee or from which this Plan may receive a Rollover Contribution.

"Eligible Rollover Distribution" means a distribution to a Participant or his or her Spouse other than

- a Hardship Distribution,
- the portion of a distribution that is a required minimum distribution,
- a corrective distribution,
- a deemed distribution,
- a distribution of a loan, or
- a deemed distribution concerning a loan.

"Employee" means, except as provided below, an individual who is classified by his or her Employer as (i) an employee and who performs services for an Employer (including any Affiliated Employer) on a regular basis as a common-law employee and not as an independent contractor, or (ii) a Leased Employee who is deemed an Employee of an Employer.

The fact that someone is or was an employee for another employee benefit plan (including another pension plan or retirement plan) or any other legal purpose doesn't mean that he or she is or was an Employee.

"Employer" refers to each Participating Employer that has adopted the Plan.

For some retirement plan compliance rules, "Employer" might refer to an Affiliated Employer that is not a Participating Employer if required by applicable law.

"Entry Date" means the pay date of the next available pay period for Elective Contributions to be made that next occurs as soon as administratively practicable after the Plan Administrator receives information from Vanguard that the Participant has enrolled in the Plan and such enrollment is in good order and acceptable to the Plan Administrator.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, a Federal law that regulates employee benefit plans.

"Excluded Employee" is explained on page 3.
"Forfeiture" means that portion of the Participant's Account that isn't Vested, that is a corrective forfeiture or that is payable to a "lost participant" (who is a former Employee or Beneficiary of a deceased Participant) and that is added to the Forfeiture Account.

"Forfeiture Account" means a Plan account kept to hold Forfeiture amounts until reallocated.

"Hardship Distribution" is explained under the section titled If you need Plan money before your retirement.

"Highly-Compensated Employee" is explained on page 24.

"IRA" means an Individual Retirement Account or an Individual Retirement Annuity.

"Leased Employee" means a Person who isn't an employee of but performs services for an Employer if:

1. the services are provided under an agreement between the recipient Employer and a leasing organization,
2. the Person has performed the services on a substantially full-time basis for a period of at least one year, and
3. the services are performed under the recipient Employer's primary direction and control.

Notwithstanding the above, a Person isn't a Leased Employee if the leasing organization that employs him or her provides a retirement plan that covers the Person with a minimum benefit. Also, contributions or benefits provided by a leasing organization are treated as contributions or benefits provided by the recipient Employer.

"Notary" means someone who is authorized to take oaths under the Law of the jurisdiction in which a document is signed.

"Parental Absence" is explained on page 12.

"Participant" means an Eligible Employee (or former Eligible Employee) for whom Contributions under the Plan have been made and whose Vested Account has not been fully distributed.

"Participating Employer" means an entity that has, with BJC's consent, adopted the Plan.

"Plan" refers to the BJC 401(k) Plan.
"Plan Administrator"
means BJC Health System.

"Plan Sponsor"
means BJC Health System.

"QDRO" or "Qualified Domestic Relations Order"
means a domestic relations order directed to the Plan that creates or recognizes the existence of the right of an Alternate Payee to receive all or a portion of any Benefit payable to a Participant under the Plan and that further meets all requirements for a qualified domestic relations order stated by Federal law.

"Qualified Election"
is explained in the section titled *Making sure you protect your Spouse.*

"Required Beginning Date"
is explained under the heading "*When must I receive my Benefit?*"

"Retirement"
means the Participant's Severance or attainment of age 59½.

"Retirement Distribution"
means a distribution other than a Hardship Distribution or corrective distribution that begins before the death of the Participant.

"Rollover Contribution"
means an amount received into the Plan from another Eligible Retirement Plan.

"Rollover Distribution"
means any Eligible Rollover Distribution that is to be paid to an Eligible Retirement Plan as a rollover.

"Roth Contribution"
is explained under the heading "*What are Roth Contributions?*"

"Severance"
means permanently leaving work from all members of the BJC Health System, not just Participating Employers. Cessation of Affiliated Employer status constitutes a Severance of each Employee of such Affiliated Employer. Transfer of status from an Eligible Employee to an Excluded Employee, or from one Affiliated Employer to another Affiliated Employer, shall not constitute a Severance.

"Spouse's Consent"
means a consent given by a Participant's Spouse to permit a Qualified Election, which allows a Participant to name a Beneficiary other than the Participant's Spouse.

A Spouse's Consent to a Qualified Election must be in writing on the form the Plan Administrator requires. Also, a Spouse's Consent must be witnessed by a Notary or a Plan representative. (A Vanguard employee cannot serve as a Notary or Plan representative to witness your Spouse's consent.) A consent made before the marriage of the Participant and his or her Spouse isn't a Spouse's Consent. However, a consent made after the marriage (even if made to fulfill a pre-marriage agreement) may be a Spouse's Consent.
"Vested"
refers to the portion of the Participant's Account that is currently non-forfeitable.

"Vested Account"
means the portion of the Participant's Account that is currently Vested.

"Year-of-Vesting-Service"
is explained on page 11.

About your Plan Account statements

You should carefully check each statement to make sure that all of the information is correct. If your address is incorrect, or if you have moved, you should immediately call your local human resources department.

If you think there is an error in your Plan Account statement, you should send your written inquiry or objection to Vanguard at the address given on the statement.

The Plan Administrator has arranged for you to get regular Plan Account statements because the Plan Administrator wants you to know how much money you and your Employer have saved for your retirement. Please remember that your retirement money shown in any Account statement is subject to all the Plan's provisions. In particular, your Matching Contributions Account is subject to the Plan's Vesting provision.

You may see any Plan records on which your Account statement is based. These records are kept at the offices of the Plan Administrator and Vanguard. If you want to see any of these records, you must call to arrange an appointment. If you don't know which of the Plan Administrator or Vanguard has the record you want to see, you may call your local human resources department, which can make arrangements for you to see (or get copies of) any record you're entitled to.

Your legal rights under ERISA

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, all documents governing the Plan, including insurance contracts, 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.

- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
• Receive a summary of the Plan's annual financial report. The Plan Administrator is required by Applicable Law to furnish each participant with a copy of the summary annual report.

• Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age—age 65—and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you are not fully vested, the statement will tell you how many more years you have to work to be fully vested. This statement must be requested in writing and is not required to be given more than once every 12 months. 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 or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

**Enforce Your Rights**

If your claim for a 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 times schedules, under the Plan's claims procedures.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, and if you have exhausted the claims procedures available to you under the Plan, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack of decision concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, if, for example, it finds your claim is frivolous.

**Assistance with Your Questions**

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of
Identifying information

Here's some identifying information you may need to know about your Plan.

Plan Name: BJC 401(k) Plan
Plan Year: January 1 - December 31
Plan Sponsor: BJC Health System
Attention: Benefits Office
Mail Stop 92-92-248
8300 Eager Road, Suite 300C
St. Louis, Missouri 63144

Employer Identification Number (EIN): 43-1617558
Plan Administrator: BJC Health System
Attention: Plan Administrator
Mail Stop 92-92-248
8300 Eager Road, Suite 300C
St. Louis, Missouri 63144

Agent for Legal Process:
(Process also may be served on the Trustee)
BJC Health System
Attention: Plan Administrator
Mail Stop 92-92-248
8300 Eager Road, Suite 300C
St. Louis, Missouri 63144

Requests for information and legal claims of any kind (including service of legal process or a court order) are properly made only when addressed and delivered to BJC Health System at the address shown above. However, service of legal process may also be made to the Trustee.

Trustee: Vanguard Fiduciary Trust Company
100 Vanguard Boulevard
Malvern, Pennsylvania 19355

Plan Number: 003
Type of Plan: Defined contribution / profit-sharing with a 401(k) feature
Third Party Administrator: Contract for certain administrative services with: