SHARP Saver Retirement Plan

Summary Plan Description

Effective January 1, 2019

SHARP®

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Introduction

This summary presents the highlights and an explanation of the Sharp$aver Retirement Plan. It will help you understand your benefits and your rights under the Plan.

If you have questions about the Plan, *Your Benefits Resources*™ will be able to help you via the Plan Web site at

www.yourbenefitsresources.com/sharp
or by phone at
1-877-742-7705.

Your Benefits Resources™ has copies of the official Plan documents and the trust agreements, which govern the operation of the Plan and state all of its provisions in detail.

A copy of the official plan documents and/or of the trust agreements for the Plan will be furnished to you upon request at a nominal charge. Such a request should be made in writing and addressed to the Plan Administrator, at the Plan Sponsor's address found at the end of this booklet.

Please note that this is only a summary of the more significant provisions of the Plan. To make the summary as clear and concise as possible, some rules are only described in abbreviated form, and others are not mentioned at all. For this reason, you should read the official Plan text if you need a complete statement of all provisions.

If there is any ambiguity in this summary, or if there is any conflict between this summary and the official Plan documents, then the official Plan documents will control.

Highlights

Providing for a financially secure retirement is, for most individuals, their most important financial priority. Sharp HealthCare is committed to assisting you in this effort. This booklet has been prepared to help you understand how you can benefit by using the Sharp$aver Retirement Plan and to help you begin now to plan for your retirement years.

Sharp HealthCare helps you build your personal future security through the Sharp$aver Retirement Plan. The Plan offers you a unique opportunity to save with these features:

- *You may save from 1% to 6% of your Earnings through convenient payroll deductions made on an after-tax basis.*
- *Sharp HealthCare matches a percentage of your After-Tax Contributions.*
- *You may direct the investment of most Plan contributions among several investment funds.*
- *Withdrawals are permitted, while employed from your After-Tax Contributions, employee contributions under the Former Plan, Rollover Contributions (if any), and their earnings.*

The Plan consists of two plans:

- **SHARP$AVER DEFINED BENEFIT PLAN ("DB PLAN"),** *which is a cash balance plan, a type of defined benefit plan. Each month your DB Plan account is credited with your After-Tax Contribution of 1% of Earnings and Employer Matching Contributions equal to 2% of Earnings, and defined interest rates. DB Plan benefits are based on your cash balance account.*
- **SHARP$AVER DEFINED CONTRIBUTION PLAN ("DC PLAN"),** *which is a defined contribution plan where your retirement benefit equals the value of your plan account at distribution.*

Definitions

ACCOUNTS means all accounts held under this Plan in your name.

ACTIVE PARTICIPANT means a Participant who is contributing 1% of Earnings as After Tax Contributions to the DB Plan, contributing 1% of Earnings as After Tax Contributions to the DC Plan, and is receiving Matching Contributions under both plans.

ACCRUED BENEFIT under the defined benefit plan means the following:

a. *If your hire date is on or after January 1, 2010, the Accrued Benefit is the age 65 life annuity that is the actuarial equivalent of your cash balance determined as of a specified date.*

b. *If your hire date is before January 1, 2010, the Accrued Benefit means the amount of the annual retirement benefit you have earned as a single life annuity commencing on your normal retirement date (age 65).*

c. *If your hire date is before January 1, 2010 and your rehire date is on or after January 1, 2010, the Accrued Benefit earned before your rehire date is determined as defined in **b.** above. Your Accrued Benefit earned after your rehire date is determined as defined in **a.** above.*

Your accrued benefit will never be less than the accumulated contributions as of the applicable determination date.

AFTER-TAX CONTRIBUTIONS means contributions made by you on an after-tax basis in a whole percentage up to 6% of your Earnings. The first 1% contribution is directed to the DB Plan and the remaining contributions are directed to your DC Plan Account.

EARNINGS means your regular base pay, overtime pay, double time pay, lump sum merit increases, incentive pay (for transcriptionists only), premium pay, call-back pay, retro pay, in-house registry, visits, education pay (orientation), education overtime pay, education double time pay, Extended Sick Insurance (ESI) and Paid Time Off (PTO) while you are a Plan Participant. However, Earnings does not include bonuses, shift differential pay, on-call pay, flex dollars, automobile allowances, commissions, severance pay, annual voluntary PTO lump sum payouts, jury duty and bereavement pay or compensation in excess of $280,000 (or other dollar limit set by federal law in a year). This annual pay limit will be indexed for inflation in future years, when applicable, in accordance with IRS guidelines.

ELIGIBLE EMPLOYEE means those employees of Sharp HealthCare who satisfy the requirements described on page 6.

YOUR BENEFITS RESOURCES™ means the Sharp HealthCare Customer Service Center and Internet Web site servicing the Sharp$aver Retirement Plan.

EMPLOYER means Sharp HealthCare.

FORMER PLAN means the Sharp Account Retirement Plan and the Sharp Rees-Stealy Cash Accumulation Pension Plan for purposes of the DB Plan. For purposes of the DC Plan, “Former Plan” means the Community Hospital of Chula Vista Money Purchase Pension Plan, Mission Park Clinic Employees

Savings Plan, Sharp Cabrillo Hospital Employees' Savings-Incentive Plan, and the Southern California Healthcare Services 401(k) Plan.

INACTIVE PARTICIPANT means a Participant who is not contributing to the Plan and who is not receiving Matching Contributions.

MATCHING CONTRIBUTIONS means contributions made by Sharp HealthCare as described on pages 9 and 10.

NORMAL RETIREMENT DATE under the defined benefit plan is the date you attain age 65.

PARTICIPANT means an Eligible Employee who elects to participate in accordance with the provisions in the section called "Eligibility and Participation" on pages 6 and 7 and includes, where required, a former Participant entitled to benefits from this Plan.

PLAN ADMINISTRATOR means Sharp HealthCare.

PLAN YEAR means the calendar year (January 1 through December 31).

PLAN means the Sharp$aver Retirement Plan, which is comprised of the Sharp$aver Defined Benefit Plan and the Sharp$aver Defined Contribution Plan, as amended from time to time.

REHIRE DATE means the first day you are credited with an hour of service after incurring a break in service, or the first day you are credited with an hour of service after not having been credited with an hour of service on any of the preceding 365 days.

ROLLOVER CONTRIBUTIONS means your contributions made to the Plan in accordance with the provisions in the "Rollover Contributions" section on page 8.

SOCIAL SECURITY RETIREMENT DATE means the date that unreduced Social Security benefits can begin based on the year you were born as follows:

Year of Birth	Social Security Retirement Date
Before 1938	Age 65
1938-1954	Age 66
1955 or after	Age 67

VESTING SERVICE means the service as described in the section called "Vesting" on pages 16 and 17 which determines when you have a non-forfeitable right to your Accounts.

YOUR BENEFITS RESOURCES™ is the Sharp HealthCare Customer Service Center and Internet Web site servicing the Sharp$aver Retirement Plan. You can reach *Your Benefits Resources™* two ways:

Via the Internet at: **www.yourbenefitsresources.com/sharp** (available anytime); or by calling **1-877-SHARP05** (1-877-742-7705) from 5 a.m. to 5 p.m. Pacific Time, Monday through Friday.

Eligibility and Participation

WHO IS AN ELIGIBLE EMPLOYEE?

In order to be considered an "Eligible Employee" for purposes of the Plan, you must meet the following requirements:

- *Be employed by Sharp HealthCare; and*
- *Be a full-time, part-time or per diem employee.*

The following employees are not eligible to participate in the Plan:

- *Members of a collective-bargaining unit that does not provide for Plan participation,*
- *Leased employees,*
- *Non-resident aliens,*
- *Employees that the Employer has classified as temporary employees,*
- *Traveling nurses. A "traveling nurse" is a nurse who is employed through a nurse registry or similar organization to whom the Employer pays a fee, and*
- *Employees with the title of Senior Vice President/CEO or higher.*

HOW SOON CAN I ENROLL?

You may become a Plan Participant on your Sharp HealthCare hire date, provided you are an Eligible Employee and complete the enrollment process. If you do not enroll immediately, you can enroll in the Plan as of any later pay period as long as you are then an Eligible Employee.

ENROLLMENT

Once you are eligible to participate, you will automatically receive an enrollment booklet. When you enroll, you will be asked to:

- *Indicate the percentage from 1% to 6% (in a whole percentage) of your Earnings you want to save on an after-tax basis;*

- *Authorize payroll deductions;*
- *Name a beneficiary; and*
- *Choose between the different investment options available under the Plan for certain contributions.*
- *You will enroll in the Plan through Your Benefits Resources™.*

BECOMING AN INACTIVE PARTICIPANT

Under the circumstances listed below, your After-Tax Contributions will stop. In addition, Sharp HealthCare's Matching Contributions will not be made on your behalf while you are an Inactive Participant. However, your Accounts will remain in the Plan, and you will continue to direct the investment of your DC Plan Account in the same manner as when you were an Active Participant. Also, your Accounts will continue to share in the DB Plan's stated interest rates, and the DC Plan investment gains, losses, and expenses of the Plan.

You will be considered an Inactive Participant in the Plan for any period during which:

- *You are on an authorized leave of absence without pay, or*
- *You receive no regular Earnings for any other reason, or*
- *You no longer qualify as an Eligible Employee, or*
- *You voluntarily elect to discontinue all of your After-Tax Contributions, or*
- *Your After-Tax Contributions are stopped as a consequence of you making a withdrawal under the Plan (see pages 13-16), or*
- *You transfer to a non-participating Sharp facility.*

WHEN DOES MY PARTICIPATION END?

Your participation ends when you are no longer a Sharp HealthCare employee and your entire vested Account balances have been distributed.

Employee Contributions

WHO MAY CONTRIBUTE?

Once you have enrolled, you may make After-Tax Contributions to the Plan as long as you remain an Eligible Employee and are not considered an Inactive Participant.

HOW MUCH MAY BE CONTRIBUTED?
You may contribute any whole percentage, from 1% to 6% of your Earnings. To receive Matching Contributions under both the DB Plan and the DC Plan, you must contribute at least 2% of Earnings—1% to the DB Plan and 1% to the DC Plan. In the case of certain highly-paid employees, contributions to the Plan may be limited as described on pages 9 and 10.

HOW ARE CONTRIBUTIONS MADE?
When you first enroll in the Plan, you will specify what percentage of your Earnings you wish to contribute. The percentage you have elected will be deducted from each of your paychecks until you change or cancel your election. Please note that the dollar amount of your contribution will adjust automatically if your pay changes.

MAY I CHANGE MY ELECTION?
Yes, the percentage you have elected to contribute can be changed at any time. When you make a change it will be reflected in your paycheck in one or two pay periods.

MAY I STOP CONTRIBUTING?
Yes, you may completely discontinue your After-Tax Contributions to the Plan whenever you wish. Generally, the cancellation will take effect in one to two pay periods after the date that you notify *Your Benefits Resources*™ via the internet at **www.yourbenefitsresources.com/sharp** or by calling the Customer Service Center at 1-877-742-7705. To resume contributions, you will process a contribution rate change via the internet Web site or by calling the Customer Service Center.

ROLLOVER CONTRIBUTIONS
If you are an Eligible Employee, you may make Rollover Contributions to the DC Plan portion of the Plan, even if you have not elected to make After-Tax Contributions. Rollover Contributions are certain distributions from qualified retirement plans or qualified rollover IRAs that are rolled over to the DC Plan within 60 days of when you receive the distribution or which are directly rolled-over to the DC Plan from another qualified plan. You may invest Rollover Contributions in the same investment funds that are available for investment of your DC Plan Account. Rollover Contributions are not eligible for Sharp HealthCare Matching Contributions. (See “Employer Contributions” on the next page.)

Employer Contributions

HOW MUCH DOES SHARP HEALTHCARE CONTRIBUTE?

Matching Contributions are generally made each pay period based on your After-Tax Contributions made during that pay period. If you contribute 1% to the DB Plan, Sharp HealthCare contributes a Matching Contribution to the DB Plan equal to 2% of your Earnings. The DC Plan Matching Contributions equal 50% of your After-Tax Contributions to the DC Plan. Participants with 20 or more years of service and contributing 6% to the Plan receive a 6% matching contribution. The following schedule illustrates the contributions for both the DB Plan and the DC Plan:

Employee Contribution*	Employer Matching Contribution	Total Contribution
1%	2.0%	3.0%
2%	2.5%	4.5%
3%	3.0%	6.0%
4%	3.5%	7.5%
5%	4.0%	9.0%
IF LESS THAN 20 YEARS OF VESTING SERVICE:		
6%	4.5%	10.5%
IF 20 OR MORE YEARS OF VESTING SERVICE:		
6%	6.0%	12.0%

**The first 1% is always contributed to the DB Plan.*

Example: Assume you have less than 20 years of service and elect to contribute 6% of Earnings to the Plan (1% to the DB Plan and 5% to the DC Plan) on an after-tax basis. The first 2% of Matching Contributions is credited to your DB Plan Account. The remaining 2.5% of Matching Contributions (5% times 50%) is credited to your DC Plan Account, for a total 4.5% Matching Contribution to the Plan.

DC PLAN CONTRIBUTION LIMITATIONS

To ensure that the Plan complies with various contribution restrictions of the Internal Revenue Code, Sharp HealthCare may require any Participant to reduce or discontinue After-Tax Contributions, or may return excess After-Tax Contributions and related vested Matching Contributions, and their earnings to any Participant. Excess unvested Matching Contributions and their earnings may be forfeited to comply with the annual contribution ceiling imposed by the Internal Revenue Code or an annual nondiscrimination test. This nondiscrimination test compares the After Tax Contributions made by highly compensated Participants (Participants whose gross pay for the prior Plan Year is more than $125,000, an indexed amount) to all other Participants in order to assure that the DC Plan's tax benefits are shared equitably by all Participants. Moreover, if Matching Contributions are made by mistake, Matching Contributions may be returned to Sharp HealthCare.

The Internal Revenue Code also includes certain limitations on the total amount that may be allocated each year to an individual Participant. As of January 1, 2019, the limit is the lesser of $56,000 (an indexed amount) or 100% of the Participant's gross compensation. The After-Tax Contributions and Matching Contributions made on your behalf each year count under these limits but Rollover Contributions are disregarded.

DB Plan Interest Rates

Each month the DB Plan credits your 1% After-Tax Contributions with interest at an annual rate equal to the greater of 6% or 120% of the federal mid-term rate in effect as of each January. The 2% Matching Contributions that are held in your DB Plan Account are credited monthly with interest at an annual rate of 6%.

Service After Normal Retirement Age

If you continue employment after age 65, and continue contributing to the Plan(s), you will continue receiving the Matching Contributions. When you retire, your DC Plan benefit will equal the value of your DC Plan account at the time of distribution. **If your hire date is prior to January 1, 2010**, your DB Plan benefit will be a single life annuity actuarially equivalent to the greater of either (i) your DB Plan account credited with the After Tax Contributions, Matching Contributions and interest through your retirement date, or (ii) the single life annuity based on your DB Plan account as of age 65 actuarially increased to your post-age 65 retirement date. **If your hire date is on or after January 1, 2010**, your DB plan benefit will be your cash balance account as of your post-age 65 retirement (or if you take your benefit in the form of an annuity, an annuity that is the actuarial equivalent of your then current cash balance account). If you terminate service before age 65 when your vested balance is greater than $5,000, and you provide your written consent to postpone your retirement to a date after age 65 but before age 70 1/2, your DB Plan benefit will be the single life annuity based on your DB Plan account as of age 65 actuarially increased to your post-age 65 retirement date. With spousal consent, you can elect to receive your DB Plan benefit in the form of a lump sum.

How DC Account Balances Could Grow

You direct the investments of your DC Plan Account among the various investment fund options offered by the Plan. Each business day, your DC Plan Account is credited with the investment gains and losses. A description of each investment fund is provided in the enrollment materials. You should select an investment fund—or a combination of investment funds—that meets your requirements and that involves a level of risk that you find acceptable.

Some of the funds available for your investment choice may involve a greater risk of short-term losses to your Account accompanied by the chance to earn a greater return on your money over the long term. Other funds may offer a steady and more predictable investment return, with less risk of loss in any year, but with less of a chance to earn much more than the rate of inflation. Information regarding the investment funds can be obtained through the *Your Benefits Resources*™ Web site at **www.yourbenefitsresources.com/sharp** or by accessing the Plan's internet site and linking to the Russell Web site or by calling the Customer Service Center at **1-877-742-7705**.

INVESTMENT RISKS

You should be aware that each of the investment funds is subject to a degree of investment risk and that the different funds are exposed to different kinds and levels of risk.

In general, fixed income investments such as bonds are subject to a risk of principal loss when interest rates rise and to possible defaults in the payment of interest or the repayment of principal. Equity investments (stocks) depend on market perceptions of the expected profitability of the enterprises. Both types of investments are also affected by general economic and market conditions. The Investment Contract Fund offers the least risk of loss of principal, but because there is typically less investment risk, it may provide lower long term investment returns. This presents the risk that your money may not grow enough to meet your retirement needs.

None of the investment funds offered under the Plan is insured by any government agency. In addition, Sharp HealthCare does not make any guarantee with respect to the performance of funds directed by the employee. You should recognize that any investment fund could incur losses.

Please refer to your enrollment materials for information on selecting investments.

ADMINISTRATIVE EXPENSES
A small portion of recordkeeping fees for the DC Plan are paid from Plan assets.

PLAN VALUATIONS
The value of your Accounts will be adjusted daily to reflect the current market value of the investment fund(s) in which those Accounts are invested.

ACCOUNT STATEMENTS
Four times each year, as of each March 31, June 30, September 30 and December 31, you will receive a statement regarding the value of your Accounts. This statement tells you how much each of your Accounts were worth at the last statement date, how much money you contributed, how much money Sharp HealthCare has contributed, and the amount of investment earnings (or losses) that were allocated to your Accounts.

YOUR BENEFITS RESOURCES™
In addition to receiving account statements, you also have access to information about your Accounts through *Your Benefits Resources*™, via the internet Web site at

www.yourbenefitsresources.com/sharp
(available anytime) or the
Customer Service Center by calling
1-877-742-7705
from 5 a.m. to 5 p.m. Pacific time,
Monday through Friday.

The *Your Benefits Resources*™ Web site is your online resource for detailed personalized information about your Sharp$aver Accounts. Through the Web site, you can:

- *enroll in the Plan*
- *change After-Tax Contribution rates*
- *obtain daily price information for investments*
- *make account balance inquiries*
- *transfer funds between investment options*
- *make investment direction changes*
- *make withdrawal availability inquiries*

- *obtain investment types and information*
- *elect automatic rebalancing of the employee-directed portion of your Accounts. Once selected, your Accounts can be automatically rebalanced to your pre-selected investment allocation as often as every 90 days.*

Your Benefits Resources™ uses intuitive technology to ensure that only you have access to your personalized account information. When you visit the Web site or call the Customer Service Center for the first time, you will be asked to provide certain information for identification purposes. On the Web site, you will then be prompted to create a User ID and choose a password. Your password can contain letters, numbers, or both. If you set up your password over the phone you will need to choose a numeric password.

SELECTION OF INVESTMENTS

Investment Elections

You direct how your DC Plan Accounts are invested. You may choose to have contributions invested all in one fund, or allocated in 1% multiples up to 100% among one or more of the funds. Any earnings that accrue in an investment fund are automatically reinvested in the same fund. Please refer to your enrollment materials for a description of the Plan's investment options.

May I Change My Investment Instructions?

You can change your investment directions for future contributions through *Your Benefits Resources*™, via the internet Web site or the Customer Service Center each business day. The change will apply to all new DC Plan Contributions made after the new investment directions are received.

May I Transfer My Funds?

In addition to new investment direction for future contributions, you can change the investment "mix" of the amounts contributed in the past, as long as you specify the percentage value you want in each of your investment funds in 1% multiples. You can do this through *Your Benefits Resources*™ via the internet Web site or the Customer Service Center each business day.

Withdrawals While Employed

GENERAL PURPOSE WITHDRAWALS

You may withdraw for any reason all or any part of your After-Tax DB or DC Contributions and their earnings, and any other after-tax employee contributions you made under the Former Plans. However, the after-tax employee contributions to the Community Hospital of Chula Vista Money Purchase

Pension Plan and the Sharp Cabrillo Hospital Employees' Savings-Incentive Plan, and their earnings are not available for withdrawal while you are employed. In addition, you may also withdraw Rollover Contributions (if any) and their earnings. If you are married, your spouse must consent to a withdrawal from your DB Account. You can request one withdrawal from each plan in any twelve-month period.

If you make a general purpose withdrawal, you are suspended from making After-Tax contributions for a period of 6 months after the withdrawal date. Your contributions will automatically resume following the suspension period at your prior election rate.

Withdrawals are taken proportionately from your After-Tax Contributions and earnings, then from your Rollover Contributions and earnings (if any). Matching Contributions cannot be withdrawn for any reason while you are employed by Sharp unless you are age 62 or older and elect a phased retirement distribution. Withdrawals are made in cash and, except for principal employee contributions, are subject to the tax consequences discussed on pages 26-28. Contact *Your Benefits Resources*™ if you are interested in making a withdrawal.

PHASED RETIREMENT DISTRIBUTIONS

If you reach age 62 on or after January 1, 2007, and you are 100% vested in your Plan Accounts, you can request an in-service withdrawal of your entire vested DC and DB Plan Accounts. Your participation is not suspended following this distribution and your After-Tax Contributions and Employer Matching Contributions will continue uninterrupted. You can request one withdrawal from each plan in any 12 month period. At termination, your DC Plan Account will be based on the contributions made following the withdrawal and its value determined as of the business day immediately following the processing of your distribution request. Your DB Plan Account will be based on the contributions and interest credited after the withdrawal and will be valued as of the first of the month including your distribution date.

FINANCIAL HARDSHIP WITHDRAWALS – *Mission Park Clinic Employees Savings Plan and Southern California Healthcare Services 401(k) Plan Accounts*

You may request a withdrawal while you are employed from your vested Mission Park Clinic Employees Savings Plan and Southern California Healthcare Services 401(k) Plan accounts if you have a "financial hardship," provided you have first received all other withdrawals and distributions you may be entitled to under all plans maintained by Sharp HealthCare. Under IRS rules, earnings on your before-tax contributions generally may not be withdrawn due to a financial hardship.

A "financial hardship" is defined as an immediate and heavy financial need where you lack other available resources. Only the following financial needs are considered immediate and heavy:

- *The payment of expenses incurred or necessary for your medical care or the medical care of your spouse, children or dependents;*
- *The construction or purchase (excluding mortgage payments) of your principal residence;*
- *The payment of tuition and related educational fees for the next 12 months of post-secondary education for you or your spouse, children or dependents;*
- *The prevention of your eviction from, or foreclosure on the mortgage on your principal residence;*
- *Payment of funeral or burial expenses for your parent, spouse, children or dependents.*
- *The expenses for the repair of damage to your principal residence that would qualify as a deduction on your income tax return (without regard to whether the loss is more than 10% of your adjusted gross income).*
- *Any other financial need that has been deemed an immediate and heavy financial need by the Commissioner of Internal Revenue.*

A financial hardship withdrawal is also subject to the following rules:

- *You must obtain all distributions and loans available to you from any plan sponsored by Sharp HealthCare before a hardship withdrawal will be granted.*
- *You cannot have other hardship withdrawals within the last 12 months.*
- *If you are married, spousal consent is required.*
- *You may not withdraw more than is necessary to meet your financial need plus an amount needed to pay income taxes and penalties resulting from the distribution.*
- *You may not make contributions to this Plan or any other qualified or non-qualified plan maintained by Sharp HealthCare for 6 months after receiving a hardship withdrawal.*

A financial hardship withdrawal is not a loan; you do not have to pay back the DC Plan. But a hardship withdrawal is taxable to you, and may result in a 10% federal penalty tax for early distribution if you are younger than age $59\frac{1}{2}$.

HOW DO I MAKE A WITHDRAWAL?

If you would like to make a withdrawal from your DC Plan Account you can do so via the Web site at **www.mybenefitsresources.com/sharp**. If you would like to make a withdrawal from your DB Plan account, contact the Customer Service Center at **1-877-742-7705** to obtain the withdrawal form. It will take approximately one week to process a withdrawal from your DC Plan account and up to 2 months to process a withdrawal from your DB Plan account.

WILL A WITHDRAWAL BE TAXABLE?

After-Tax Contributions which are returned to you are not taxable. Under IRS rules, however, some portion of the withdrawal is considered a return of earnings, and those amounts are taxable. Taxable amounts are usually taxed at ordinary income rates. An additional 10% tax may apply to the taxable amount of withdrawals made before you attain age 59½ and withdrawals, to the extent taxable, are also subject to 20% federal withholding. (See pages 26-28 for additional information.)

Vesting

AFTER-TAX CONTRIBUTIONS AND ROLLOVER CONTRIBUTIONS

All After-Tax Contributions, employee contributions you made under a Former Plan, Rollover Contributions, and their earnings, are always 100% vested. This means that no part of these contributions or earnings will ever be forfeited. Keep in mind, the value of the DC Plan holding these contributions may decline as a result of unfavorable investment experience.

MATCHING CONTRIBUTIONS

You are 100% vested in your Plan Accounts if you are employed when you reach age 55, or you terminate your employment with Sharp HealthCare because of total disability or death. You are totally disabled if you are eligible either for Social Security disability benefits or benefits from the Sharp HealthCare long term disability plan. Once you are 100% vested, the entire value of your Plan accounts will be available to you (or your beneficiary) when you become eligible for a distribution.

If you terminate employment for any reason other than retirement on or after age 55, total disability or death, you will be entitled to only the vested amount in your Matching Contributions Account in accordance with the vesting schedules on the next page.

EMPLOYER MATCHING CONTRIBUTIONS	
Vesting Service	**Vested Percentage**
After 1 year	25%
After 2 years	50%
After 3 years	100%

If you have a Former Plan account, different vesting schedules apply to your Former Plan account. But if you have been continuously earning Vesting Service since January 1, 2002, you will be fully vested in your Former Plan account. If you have questions about these other vesting schedules, contact Your Benefits Resources.

VESTING SERVICE

For vesting purposes, Vesting Service includes all Plan Years while you are employed with Sharp HealthCare or any Sharp-related facility in which you are credited with at least 1,000 hours of service. An "hour of service" means each hour you work for Sharp HealthCare or any related Sharp HealthCare entity. You may also earn hours of service for hours you are paid while away from work for such things as:

- *Paid Time Off (PTO)*
- *Extended Sick Insurance (ESI)*
- *Jury Duty*
- *Paid Leaves of Absence*

You will also earn hours of service for hours you would have been paid, but were on an unpaid leave of absence. You will be credited with no more than 501 hours of service for any single continuous period during which you have performed no duties.

FORFEITURES

If you leave before becoming fully vested, the non-vested portion of your Matching Contributions Account (or other applicable non-vested Account) will be forfeited on the earlier of:

- *the date you receive a complete distribution of your vested Accounts or*
- *the date you incur five one-year breaks in service (that is, you are credited with less than 501 hours of service in five consecutive calendar years)*

However, if you terminate service, take a distribution of your vested Accounts, and are later reemployed before incurring five consecutive one-year breaks in service, the forfeited portion of your Matching Accounts shall be restored. Your DC Account shall be restored to its value at the time of distribution, unadjusted for gains or losses. Your DB Plan Account shall be restored, adjusted for the interest credits from the time of the prior distribution. If you are reemployed after incurring five consecutive one-year breaks in service, your forfeited Accounts will not be restored. Forfeitures for any Plan Year will be used to reduce Sharp HealthCare's future Matching Contributions and in the DC Plan to pay reasonable plan expenses.

Distribution of Your Plan Benefits

TERMINATION OF EMPLOYMENT ALLOWS DISTRIBUTION

If your employment terminates for any reason, your vested Accounts are eligible for distribution. Benefits can be paid (or commence) as soon as administratively possible following your termination date. If the value of your vested account under the DC Plan or the DB Plan is more than $5,000, your consent is required.

AMOUNT OF RETIREMENT BENEFIT

Your DC Plan benefit will equal the value of your vested Account as of the time of distribution. Your DB Plan benefit will be based on the value of your DB Plan Account as of your retirement date.

a. *If your hire date is on or after January 1, 2010, and you elect a lump sum payment, the amount of the payment is equal to your cash balance as of the applicable determination date. If you take your DB Plan benefit in the form of an annuity, you will receive an annuity that is the actuarial equivalent of your then current cash balance account.*

b. *If your hire date is before January 1, 2010, the single life annuity is determined by (i) projecting your cash balance account as of the determination date projected to your normal retirement date (age 65) at an annual interest rate of six percent (6%), and (ii) multiplying the result by a life expectancy factor of 1/13. If you elect to take your DB Plan benefit in the form of a lump sum, you will receive a lump sum that is the actuarial equivalent of your age 65 life annuity (provided that such lump sum will never be less than your then current cash balance account).*

c. *If your hire date is before January 1, 2010 and you terminate your employment and then are rehired on or after January 1, 2010, your Accrued Benefit earned before your initial termination date is determined as provided in **b.** above. Your Accrued Benefit earned after your Rehire Date is determined as provided in **a.** above.*

If you were a participant in the Sharp Account Retirement Plan or the Sharp

Rees-Stealy Cash Accumulation Pension Plan ("Prior Plan"), your DB Plan benefit will not be less than the present value of your Prior Plan accrued benefit plus your After Tax Contributions, Matching Contributions and interest.

DB PLAN EARLY RETIREMENT BENEFIT IF HIRED BEFORE JANUARY 1, 2010

If your hire date is before January 1, 2010, you terminate service before age 65, and your vested percentage is greater than 0%, your vested DB Plan Account is available for distribution. If you elect to commence benefits before age 65, your vested DB Plan Account will be actuarially converted to a single life annuity payable at age 65. This annuity amount will then be actuarially reduced according to the schedule below in order to reflect that you will be receiving annuity payments over a longer period of time. This reduced amount will then be actuarially converted to the form of payment you select.

Exact Age at Retirement	Percentage of Vested Age 65 Annuity Payable
65	100.00%
64	93.33%
63	86.67%
62	80.00%
61	73.33%
60	66.67%
59	63.33%
58	60.00%
57	56.67%
56	53.33%
55	50.00%

If your retirement date is before age 55, your vested age 65 annuity will be actuarially reduced to reflect your age at retirement. If paid in a lump sum your benefit will never be less than your account balance.

DB PLAN EARLY RETIREMENT BENEFIT IF HIRED ON OR AFTER JANUARY 1, 2010

If you are hired on or after January 1, 2010, your early retirement benefit will be your then current cash balance account (or if you take your benefit in the form of an annuity, an annuity that is the actuarial equivalent of your current cash balance account).

HOW ARE ACCOUNTS PAID?

DC Plan Account

The DC Plan Account shall be paid in the form of a lump sum, or if you elect, fixed or calculated monthly installments payable over a period that you select provided the payout period is no longer than 20 years. If you elect either a lump sum or installments paid over a period of 10 years or less, you may elect to have the amount paid to an Individual Retirement Account (IRA) or another employer's qualified plan. If you were a participant in the Community Hospital of Chula Vista Money Purchase Pension Plan or the Sharp Cabrillo Hospital Employees' Savings-Incentive Plan and those accounts were transferred to the DC Plan, see Appendix A for a description of how those accounts can be distributed.

DB Plan Account

When you retire, you will have the choice of receiving your benefit in the form of a cash lump sum or an annuity. Unless you elect otherwise, your DB Plan Account is payable as an annuity. If you are unmarried when benefits begin, a single life annuity will be payable for your lifetime; no death benefit will be paid following your death. If you are married when benefits begin, your DB Plan Account will be paid as a 50% Joint and Survivor Annuity. Under this form of payment you will receive a monthly annuity for your lifetime. Following your death, your surviving spouse will receive 50% of the amount payable during your lifetime. This monthly annuity is payable for your surviving spouse's lifetime.

DB Plan Optional Payment Forms

With your spouse's written, notarized consent, you can elect one of the following optional forms of payment:

1. **Lump Sum Payment:** *The value of your account paid in a single lump sum.*
2. **Single Life Annuity:** *A monthly benefit payable for your lifetime with no benefits following your death.*
3. **Joint and Survivor Annuity:** *A monthly benefit payable for your lifetime. Following your death, your surviving spouse will receive a monthly benefit equal to 50%, 75% or 100% of your monthly benefit (provided you were married at the time of your annuity start date and at the time of your death).*
4. **Installments:** *A monthly benefit payable in equal installments for a guaran-*

teed period of 5, 10 or 15 years. If you die during the guaranteed period, the remaining installments will be paid to your designated beneficiaries.

5. **Life Annuity with Guaranteed Period:** *A monthly benefit payable for life in equal installments with a guaranteed period of 5, 10 or 15 years. If you die during the guaranteed period, the remaining installments will be paid to your designated beneficiaries.*

6. **Life Annuity with a Percentage Guaranteed Option:** *A monthly benefit payable in equal installments with 50%, 75% or 100% of your monthly benefit payable to your beneficiary following your death.*

7. **Level Income Option:** *If you retire before your Social Security Retirement Date (as determined under Social Security Act rules) you can have higher payments made to you from this Plan before that retirement date. When you reach your Social Security Retirement Date, your Plan payments decrease to take into account those Social Security payments. The goal is to provide, as nearly as possible, a level lifetime income from the combination of Social Security and Plan benefits. No death benefit is payable after your death to any beneficiary under this option.*

DB Plan – Spousal Consent

If you are married, the value of your DB Plan Account is more than $5,000, and you wish to receive your benefit in a manner other than the 50% Joint and Survivor Annuity with your spouse as your beneficiary, then your spouse's consent is required. Your spouse's consent must be in writing and witnessed by a notary public.

When Are My Accounts Valued?

Your DC Plan Account is valued daily. When you terminate employment and take a distribution, the value of your DC Plan Account is the value of your account as of the next close of the New York Stock Exchange. Your DB Plan Account is valued as of the first of the month including the distribution date.

When Will I Receive My Benefit?

If you cease to be employed by Sharp HealthCare for any reason (including retirement, total disability, or termination) and your vested DC Plan Account is valued at more than $5,000, you may leave the DC Plan balance in the Plan until you attain age 70½.

If your DB Plan Account is valued at more than $5,000 and you do not consent to a distribution, the value of your Accounts will be determined as of the last day of the calendar month that follows your 65th birthday, and your Accounts will be distributed as soon as possible thereafter. However, you may elect in writing to delay payment up to age 70½.

If you are younger than age 65, you do not have to elect a distribution at termination. The following options with respect to your Plan Accounts are available to you.

If your total vested account benefit is greater than $5,000 in either the DC or DB Plans, you may:

- *Leave your benefit in the Plan until a future date. You will be subject to the same rules and rights as all other participants. You may request payment at any time in the future by contacting Your Benefits Resources at* ***1-877-742-7705.***

  – For the DC Plan, you may leave your account balance in the plan until you reach age 70 1/2.

  – For the DB Plan, you will automatically be contacted when you reach age 65 to either (a) receive your Plan benefit or, (b) make an election to defer payment until age 70 1/2.

- *Rollover your eligible account benefit to an Individual Retirement Account at any time.*
- *Rollover your eligible account benefit to another employer's qualified retirement plan at any time.*
- *Take your account benefit as a taxable distribution at any time.*

DISTRIBUTION PROCESS

If your total vested account benefit is less than or equal to $5,000 in either the DC or DB Plans, you will automatically receive the applicable notification(s) from the Plan record keeper at your home address. For the DC Plan, the notification will indicate that if you do not request a distribution or rollover of your account within 60 days, your benefit will automatically roll over to an Individual Retirement Account (IRA) in your name (outside of the plan). For the DB Plan, the notification will indicate that if you do not elect a distribution or rollover within 90 days, your account benefit will automatically roll over as a lump sum cash distribution to an Individual Retirement Account (IRA) in your name (outside of the plan). You will automatically receive a Welcome Kit from the IRA provider once the rollover of your account is completed.

Death Benefits from the Plan

WHAT WILL MY BENEFICIARY RECEIVE?

If you die before you begin receiving payments from the Plan, and your vested percentage is greater than 0%, your beneficiary will receive the balance of your vested DC Plan Account and your vested accrued benefit under the DB Plan.

Your DC Plan Account will be paid in a lump sum to your beneficiary, or your beneficiary can elect to receive installments. If you have a transferred Chula Vista or Cabrillo Plan account, please see Appendix A for information about death benefits payable from these accounts.

Your beneficiary can elect any of the payment forms offered by the DB Plan. If your DB Plan beneficiary is your surviving spouse and he or she does not elect an optional form, the death benefit will be paid as an annuity based on the value of your vested DB Plan account as of the date the death benefit commences. Your spouse can elect to defer distribution until the date you would have reached age $70^1/2$.

WHEN ARE DEATH BENEFITS PAID?

If your beneficiary is not your surviving spouse, the DC Plan death benefit must be paid before the December 31st of the year that includes the 5th anniversary of the date of your death. If your spouse is your beneficiary, payment can be delayed until the date you would have reached age $70^1/2$.

If your non-spouse beneficiary elects to receive the DB Plan death benefit in the form of an annuity, benefits must begin within one-year of your death. Otherwise, benefits to your non-spouse beneficiary must be fully distributed by the December 31st of the year that includes the 5th anniversary of your death. If your beneficiary is your surviving spouse, your spouse can elect to begin benefits at any time following your death and postpone benefits until the date you would have reached age $70^1/2$.

DEATH AFTER BENEFITS COMMENCE

If you die after you begin receiving payments from the Plan, your beneficiary will receive whatever amounts are due to him or her under the payment option you elected when payments began.

WHO IS MY BENEFICIARY?

You can designate one or more persons to be your beneficiary under the Plan via the Web site or Customer Service Center. An authorization form is sent to you for spousal signature if you are married and your spouse is not the primary beneficiary. You can change your beneficiary (or beneficiaries) at any time via the Web site or Customer Service Center.

If you are married and wish to designate someone other than your spouse as beneficiary, even if it is a trust where your spouse is the sole beneficiary, your spouse must consent to your designation by signing and filing the proper form. Spousal consent must be witnessed by a notary public.

If you designate no beneficiary, or if all of your beneficiaries die before you do, then your vested Accounts will be automatically paid to your surviving spouse. If you have no spouse or your spouse dies before you do, your Accounts will be paid to your estate.

How to Apply for Your Benefits

WHERE AND WHEN SHOULD I APPLY?
Your Benefits Resources™ is available to assist you in applying for your benefits and exercising your other rights under the Plan. To ensure timely payment, you (or your beneficiary) should file the appropriate forms as soon as possible. The forms must be completely filled out, signed and notarized, if applicable.

WHAT IF MY APPLICATION IS DENIED?
Should your application for benefits be denied for any reason, the Plan Administrator will give you a written notice and an explanation of the denial. The Plan Administrator will also let you know if additional information is necessary to complete your application. Written notice of a claim denial is provided by the Plan Administrator within 90 days of receipt of the Participant's or beneficiary's claim, unless special circumstances require an extension of time. In that case, the Plan Administrator will notify you in writing of the extension within the initial 90-day period, and will give its decision within 90 days after the end of the initial 90-day period.

CAN I APPEAL A DENIAL?
If your claim for benefits is denied or reduced, or if the Plan Administrator does not provide you with a written denial within the applicable 90-day or 180-day period described on page 24, you may appeal by submitting to the Plan Administrator a request for a review of the application within 60 days after receiving written notice of such denial by the Plan Administrator. You must file an appeal in writing within 60 days after the Plan Administrator notifies you of a denial. If you do not request a review of the determination within such 60-day period, you will not be able to challenge the determination. Your appeal should be sent to the Plan Administrator at the address at the end of this booklet. It should be in writing and should specify the reasons

why you think your application should have been granted including all of the grounds on which it is based, all facts and documents in support of the request and any other matters which you determine to be pertinent. You may submit written comments, documents, records and other information related to the benefit claim on appeal.

The Plan Administrator on appeal will undertake a full and fair review of the claim and consider all comments, documents, records and other information you provide without regard to whether such information was submitted or considered in the initial benefit determination. The Plan Administrator will consider your application and make a decision. If the decision is favorable, you will receive your benefit. If the determination is upheld and your application is denied, the Plan Administrator will give you a written explanation of the decision within 60 days of receiving the appeal, unless special circumstances require an extension of time. In that case, the Plan Administrator will advise you in writing of the extension within the initial 60-day period and will give its decision within 60 days after the end of the initial 60-day period.

EXHAUSTION OF REMEDIES

If you are not satisfied with the determination or action taken in response to your written appeal, no legal action for benefits under the Plan shall be brought unless and until you have submitted a written claim for benefits, you have been notified by the Plan Administrator that the application is denied, you have filed a written request for a review of the application, and you have been notified in writing that the Plan Administrator has affirmed the denial of the application. However, you may not bring legal action under section 502(a) of ERISA if you have failed to bring such claim within the period prescribed by law.

How Your Benefits Can Be Reduced

Your Plan benefit may be lost or substantially reduced in the following situations:

- *The value of your DC Plan Account may decline due to your investment selections and general market conditions (see pages 11-13).*
- *If you leave Sharp HealthCare before you have become fully vested in your Matching Contributions Account (or other Accounts of prior plans as applicable), you may forfeit the portion which is not vested.*

Assignments Prohibited

The Plan as well as federal law provides that your interest in your Accounts, or your rights to any distribution from the Plan, cannot be assigned to anyone else. This means that you cannot voluntarily or involuntarily assign your Accounts for the benefit of creditors, or to satisfy garnishments, attachments and similar procedures. However, if you and your spouse separate or divorce, a court can direct through a qualified domestic relations order that up to 100% of your Account be transferred to another person (usually your ex-spouse or your children). The Plan has a procedure for processing domestic relations orders, which you can obtain from the Plan Administrator.

You also cannot use your Accounts as collateral for a loan. However, the creation, assignment or recognition of a right to all or part of your Plan benefit pursuant to a qualified domestic relations order is not prohibited and is specifically provided for by the Internal Revenue Code.

Federal Income Tax Consequences of Plan Participation

The Plan is intended to meet the qualification requirements of sections 401(a) and related provisions of the Internal Revenue Code. As long as the Plan remains qualified, Participants will not have to recognize current taxable income for federal or state income tax purposes due to Sharp HealthCare Matching Contributions and investment returns on all contributions made to the Plan.

FEDERAL INCOME TAX CONSEQUENCES of Lump Sum Distributions and Installments Payable for a Period of Less Than 10 Years

Under the Plan, when a Participant receives his or her Plan benefit after retirement or termination of employment in either a lump sum or in installment payments over a period less than 10 years, he or she will be taxed on the amount of the distribution received during the tax year, except to the extent the distribution consists of principal amounts of After-Tax Contributions or other after-tax employee contributions.

When the Plan benefit is distributed to the Participant, 20% of the taxable amount of the distribution must be withheld for federal income tax purposes. Under special "transitional" rules in the Internal Revenue Code, a Participant who reached age 50 before January 1, 1986 may be entitled to use 10-year forward averaging.

INSTALLMENT PAYMENTS OVER 10 YEARS AND ANNUITY PAYMENTS

The 20% withholding rules do not apply to amounts received in the form of installments for a period of ten years or more or to annuity payments made over the lifetime of the Participant and/or beneficiary. Voluntary withholding on these amounts applies instead.

ROLLOVERS AND TRANSFERS TO OTHER QUALIFIED PLANS

A Participant whose employment has terminated may elect to have all or any portion of his or her Plan benefit transferred directly to an individual retirement account (IRA) or to another employer's qualified plan that accepts rollovers (known as a "direct rollover"). This means that rather than receiving a check made payable to you, you authorize the Trustee to transfer your entire Plan benefit directly to an IRA set up in your name or to your account established under another employer's qualified plan. When the Plan benefit is directly transferred to an IRA or employer plan, no 20% federal withholding applies.

Alternatively, you may elect to receive a check made payable to you (with 20% of the taxable Plan benefit withheld), and then deposit this amount into an IRA within 60 days after receipt of the distribution (known as a "regular rollover"). However, unless you also contribute to the IRA from your own funds an amount equal to the 20% withheld, you will have to pay tax on the 20% that was not rolled over. The 10% penalty (discussed in the section on the next page) may also apply to the amount withheld unless you are over age 59½.

If you die and your beneficiary under the Plan is your surviving spouse, your spouse may elect either a direct rollover or a regular rollover as described above, may elect to receive the Plan benefit or may elect to leave it in the Plan until retirement. Any beneficiary other than a surviving spouse may receive the Plan benefit or directly roll it over to an IRA.

A former spouse who is an "alternate payee" under a qualified domestic relations order has the same choices as an employee or spouse. Thus, that person may elect to receive the distribution or roll it over to an IRA or another employer's plan that accepts rollovers.

A surviving spouse, an alternate payee, or another beneficiary is not subject to the 10% penalty tax (discussed in the section below), even if that person is younger than age 59½.

PENALTY TAX ON EARLY DISTRIBUTIONS OR WITHDRAWALS

A 10% additional income tax will apply to the taxable amount of withdrawals (including hardship withdrawals and earnings on After-Tax Contributions) or distributions made before the Participant attains age 59½.

The following withdrawals or distributions, however, are exempt from this additional tax:

- *Distributions rolled over into an IRA or another employer's qualified plan;*
- *Distributions made after the Participant's death;*
- *Distributions or withdrawals attributable to the Participant's disability;*
- *Distributions made to a Participant who was at least age 55 when employment with Sharp HealthCare ends;*
- *Withdrawals or distributions used for payment of medical expenses, to the extent they are deductible;*
- *Payments to an alternate payee pursuant to a qualified domestic relations order; and*
- *Payments made over a Participant's life expectancy, or the joint life expectancies of the Participant and the beneficiary.*

Changes in Tax Laws

Congress may amend the Internal Revenue Code at any time. In addition, the Internal Revenue Service may at any time issue new regulations or rulings. Such developments could render all or any part of the tax discussion in this summary obsolete, and Sharp HealthCare assumes no responsibility for the information provided above. Also, the discussion does not include a discussion of state taxes. It is essential, therefore, that Participants and beneficiaries consult a qualified tax advisor to obtain current information as well as advice which is tailored to their particular circumstances.

Change or Termination of the Plan

This summary describes the Plan as in effect on January 1, 2019. The Plan Administrator has reserved the right to amend the Plan at any time and for any reason. (In some cases, an amendment may be retroactive.) In addition, the Plan Administrator has the right to terminate the Plan at any time and for any reason.

If the Plan is terminated, no additional contributions will be made but you will be entitled to the entire balance credited to your DC Plan Account and your accrued benefit under the DB Plan at the time of the termination.

Your benefits under the DB Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the DB Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay the benefits. Most people receive all of the benefit they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if you become disabled before the plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; (2) some or all of the benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for the company; (4) benefits for which you have not met all of the requirements at the time the plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call **(202) 326-4000** (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at **1-800-877-8339** and ask to be connected to **(202) 326-4000**. Additional information about the PBGC's pension insurance program is available through the PBGC's web site on the Internet at **http://www.pbgc.gov**. The DC Plan is not covered by the PBGC because it is a defined contribution plan and the PBGC only guarantees the benefits of defined benefit plans.

No Employment Rights

The Plan is not an employment contract. Nothing in the Plan or in this summary is to be interpreted as giving any person a right to remain an employee of Sharp HealthCare, and nothing in the Plan or this summary affects the right of Sharp HealthCare to terminate anyone's employment at any time, with or without cause.

Rights and Protections

As a Participant of the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

1. **Examine,** *without charge, at the Plan Administrator's office, all Plan documents, including insurance contracts and copies of all documents filed by the Plan with the U.S. Department of Labor, or the U.S. Internal Revenue Service, such as detailed annual reports and Plan descriptions.*
2. **Obtain** *copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Administrator may make a reasonable charge for the copies.*
3. **Receive** *a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each member with a copy of this summary annual report.*
4. **Obtain** *a statement telling you whether you have a right to receive a benefit, and if so, what your benefits will be. If you do not have a right to a benefit, the statement will tell you. This statement must be requested in writing and is not required to be given more than once a year. The Plan must provide the statement free of charge.*

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and the 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.

Under ERISA, there are steps you can take to enforce the rights on page 30. For instance, if you request materials 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 (not to exceed $1,100) until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court, subject first to the arbitration requirement where permitted by law. 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, for example, if it finds your claim is frivolous. If you have any questions about the Plan, you should contact the Plan Administrator.

If you have any questions about this statement or about your rights under ERISA, you should contact either the nearest office of the U.S. Department of Labor, Employee Benefits Security Administration listed in your telephone directory or at **www.dol.gov/EBSA**, or the Office of Participant Assistance, U.S. Department of Labor, Employee Benefits Security Administration, 200 Constitution Avenue N.W., Suite N-5623, Washington, DC 20210, **1-866-444-3272** (EBSA).

Other Information

Address of the Plan Sponsor

Sharp HealthCare is the Plan Sponsor and is located at 8695 Spectrum Center Boulevard, San Diego, CA 92123. Sharp's telephone number is **(858) 499-5177**.

Identification Number

The Plan Sponsor's Identification Number (EIN) is 95-6077327.

Plan Names and Numbers

The Sharp$aver Retirement Plan consists of two plans as follows:

- *DB Plan (Plan Number 003)*
- *DC Plan (Plan Number 002)*

Type of Plan

The DB Plan is a qualified defined benefit plan that is a cash balance plan. It also continues to hold any employee and accrued benefits and contributions made under the prior Sharp Account Retirement Plan and the Sharp Rees-Stealy Cash Accumulation Pension Plan.

The DC Plan is a qualified defined contribution plan that is a profit sharing plan. It also continues to hold any employee and employer contributions made under prior defined contribution plans sponsored by Sharp HealthCare.

Normal Retirement Age

The normal retirement age for both the DB Plan and the DC Plan is age 65.

Plan Administrator

Sharp HealthCare is the administrator of the Plan. Sharp HealthCare interprets the Plan, and it may adopt rules and procedures to implement any Plan provisions. Sharp HealthCare also has the authority to take such other actions as it deems appropriate in administering the Plan. Subject to the review procedure described on pages 24 and 25, the decisions of Sharp HealthCare with regard to the Plan are final, conclusive and binding on all persons. Sharp HealthCare may delegate any of its functions under the Plan to other persons.

Who Pays for the Plan

Contributions are made both by employees through After-Tax Contributions and by Sharp HealthCare.

Service of Process

The Plan's agent for service of legal process is the Sharp HealthCare General Counsel at the Plan Sponsor's address on page 31. Legal process may also be served on the trustee.

Trustee

The trustee of the DB Plan and the DC Plan is the Frank Russell Trust Company located at 1301 2nd Avenue, Seattle, WA 98101. The trustee holds the assets of the Plans in trust funds and makes distributions at Sharp HealthCare's direction.

Collective Bargaining Agreements

Because some participants are covered by the terms of a collective bargaining agreement, the Retirement Plan is maintained pursuant to one or more collective bargaining agreements. Copies of the agreements are available to participants and beneficiaries upon written request to the plan administrator, and are available for examination at the offices of the Plan Sponsor during regular business hours.

Appendix A

COMMUNITY HOSPITAL OF CHULA VISTA MONEY PURCHASE PENSION PLAN OR SHARP CABRILLO HOSPITAL EMPLOYEES' SAVINGS-INCENTIVE PLAN

If you have a transferred account from the Community Hospital of Chula Vista Money Purchase Pension Plan or the Sharp Cabrillo Hospital Employees' Savings-Incentive Plan, this Appendix A explains how benefits are payable from these transferred accounts.

When Are Distributions Paid?

Your Chula Vista or Cabrillo account is available for distributions when your employment terminates for any reason.

How Is This Account Paid?

Your Chula Vista or Cabrillo Plan account is payable in the form of an annuity. If you are unmarried when benefits begin, a single life annuity will be payable for your lifetime; no death benefits will be paid following your death. If you are married when benefits are paid, your account will be paid as a 50% Joint and Survivor Annuity. Under this form of payment you will receive a monthly annuity for your lifetime. Following your death, your surviving spouse will receive 50% of the amount payable during your lifetime. This monthly annuity is payable for your surviving spouse's lifetime.

Optional Payment Forms

With your spouse's written, notarized consent, you can elect one of the following optional forms of payment:

1. **Lump Sum Payment:** *The value of your Chula Vista or Cabrillo Plan account paid in a single lump sum.*
2. **Single Life Annuity:** *A monthly benefit payable for your lifetime with no benefits following your death.*
3. **Joint and Survivor Annuity:** *A monthly benefit payable for your lifetime. Following your death, your surviving spouse will receive a monthly benefit equal to 50%, 75% or 100% of your monthly benefit (provided you were married at the time of your annuity start date and a the time of your death).*
4. **Installments:** *A monthly benefit payable in equal installments for a guaranteed period of 5, 10 or 15 years. If you die during the guaranteed period, the remaining installments will be paid to your designated beneficiaries.*

5. **Life Annuity with Guaranteed Period:** *A monthly benefit payable for life in equal installments with a guaranteed period of 5, 10 or 15 years. If you die during the guaranteed period, the remaining payments will be paid to your designated beneficiaries.*

6. **Life Annuity with a Percentage Guaranteed Option:** *A monthly benefit payable in equal installments with 50%, 75% or 100% of your monthly benefit payable to your beneficiary following your death.*

7. **Level Income Option:** *If you retire before your Social Security Retirement Date (as determined under Social Security Act rules) you can have higher payments made to you from this Plan before that retirement date. When you reach your Social Security Retirement Date, your Plan payments decrease to take into account those Social Security payments. The goal is to provide, as nearly as possible, a level lifetime income from the combination of Social Security and Plan benefits. No death benefit is payable after your death to any beneficiary under this option.*

If you want to name someone other than your spouse as your beneficiary, you must first obtain your spouse's written notarized consent to the designation.

Spousal Consent

If you are married, the value of your Chula Vista or Cabrillo Plan account is more than $5,000 and you wish to receive your benefit in a manner other than the 50% Joint and Survivor Annuity with your spouse as your beneficiary, then your spouse' consent is required. Your spouse's consent must be in writing and witnessed by a notary public.

When Is My Account Valued?

Your Chula Vista or Cabrillo Plan account is valued daily. When you terminate employment and take a distribution, the value of your Chula Vista or Cabrillo Plan account is determined as of next close of the New York Stock Exchange.

When Will I Receive My Account?

If you terminate employment for any reason (including retirement, total disability, or termination), your vested Chula Vista or Cabrillo Plan accounts are valued at more than $5,000 and if you do not consent to a distribution, the value of your accounts will be distributed when you reach age 70½ or you request a distribution, whichever is earlier.

If you are younger than age 65, you do not have to elect a distribution at termination. The following options with respect to your Chula Vista or Cabrillo Plan account are available to you:

If your total vested account benefit is greater than $5,000, you may:

- *Leave your benefit in the Plan until a future date. You will be subject to the same rules and rights as all other participants. You may request payment at any time in the future by contacting your Benefits Resources at* ***1-877-742-7705.*** *You will automatically be contacted when you reach age 65 to either (a) receive your Plan benefit or, (b) make an election to defer payment until age $70^{1}/2$.*
- *Rollover your eligible account benefit to an Individual Retirement Account at any time.*
- *Rollover your eligible account benefit to another employer's qualified retirement plan at any time.*
- *Take your account benefit as a taxable distribution at any time. If you elect to receive your benefit in the form of either an annuity or installments, then the value of your vested Account will be used to purchase an annuity from a licensed insurance company which will be responsible for paying you your benefit. If you elect one of these payment forms, you will be notified of the name and contact information for the insurance company.*

If your total vested account benefit is less than or equal to $5,000, you will automatically receive the applicable notification(s) from the Plan record keeper at your home address. The notification will indicate that if you wish to take a distribution or rollover of your benefit, you should contact Your Benefits Resources at **1-877-742-7705.** If you do not elect a distribution or rollover within 60 days, your account benefit will automatically roll over as a lump sum cash distribution to an Individual Retirement Account (IRA) in your name (outside of the plan). You will automatically receive a Welcome Kit from the IRA provider once the rollover of your account is completed.

DEATH BENEFITS FROM THE CHULA VISTA OR CABRILLO PLAN ACCOUNT

What Will My Beneficiary Receive?

Your beneficiary can elect any of the Chula Vista or Cabrillo optional payment forms, as described on page 33 and 34. If your beneficiary is your surviving spouse and he or she does not elect an optional form, the death benefit will be paid as an annuity based on the value of your vested account as of the date the death benefit commences. Your spouse can elect to defer distribution until the date you would have reached age $70^{1}/2$.

When Are Death Benefits Paid?

If your spouse is your beneficiary, payment can be delayed until the date you would have reached age 70$^1/_2$. If your beneficiary is not your surviving spouse, the Chula Vista or Cabrillo Plan death benefit must be paid before the December 31st of the year that includes the 5th anniversary of the date of your death. An exception to this rule is if your nonspouse beneficiary elects to receive the Chula Vista or Cabrillo death benefit in the form of an annuity. In that case benefits must begin within one-year of your death, and the benefit will be paid over your nonspouse beneficiary's lifetime.

Death After Benefits Commence

If you die after you begin receiving payments from the Plan, your beneficiary will receive whatever amounts are due to him or her under the payment option you elected when payments began.

Who Is My Beneficiary?

Your beneficiary for your Chula Vista or Cabrillo Plan account is the beneficiary you designated under the DC Plan.

Picture Your Future



Join the Sharp$aver Retirement Plan today!

You've received this booklet because you are eligible to join the Sharp$aver Retirement Plan. The plan can be an important part of your financial security. It gives you an easy and convenient way to save, as well as the choice and flexibility that you need to achieve your savings goals.

Joining the plan is easy. Inside, you'll find an overview of the plan and its many benefits, as well as information about how to enroll. You'll also find examples of how the plan can help you to build a more secure future. So, take a few minutes to review the pages that follow to see how to get started. Remember—starting now, even if you save just a little, can make a big difference in the long run.

For more detailed information or to enroll right now,
just visit the Your Benefits Resources™ Web site at **www.yourbenefitsresources.com/sharp** from any computer with Internet access.

The site is available 24 hours a day, seven days a week. It makes enrolling simple, and you can use it anytime to access and manage your account after you enroll.

Sharp$aver Retirement Plan

What's Inside

Accessing the Plan

- **Online: www.yourbenefitsresources.com/sharp**

  The Your Benefits Resources Web site is your best source for detailed, personalized information about the plan and your account, and it is the easiest and fastest way to make plan transactions. Beneficiary designations should also be made on the site. You can access the site 24 hours a day, seven days a week, from any computer with Internet access — log on at work, home, or anywhere.

- **By Telephone: 1-877-742-7705 (SHARP05)**

  If you need help, you can talk with a customer service representative. Representatives are available between 5:00 a.m. and 5:00 p.m. Pacific Time, Monday through Friday.

How the Plan Works

WHY SAVE?

You may spend up to a third of your life in retirement. Experts say that you'll need at least 80% of your preretirement income to maintain your lifestyle in retirement. Social Security generally replaces less than half of what most retirees think they need. So your personal savings, including your Sharp$aver Retirement Plan account, may have to make up a significant portion of that 80%.

MORE GOOD REASONS TO JOIN

■ **Company contributions**

The company will make a matching contribution to your eligible after-tax savings. When you contribute 1% of your earnings, Sharp HealthCare will contribute another 2% of your earnings to the plan. This money will automatically be invested in the "defined benefit" (or guaranteed) portion of the plan. For each additional one percent you save, the company will match another one-half percent, up to 2.5%, into the "defined contribution" (or participant- directed) portion of the plan for a total company contribution of 4.5%. See the matching contributions schedule on page 2. You choose how this money will be invested in the plan's ten funds. To receive the maximum company match, contribute 6% of your earnings and Sharp will contribute 4.5%. Participants with 20 or more years of vested service and contributing 6% to the plan receive a 6% matching contribution.

■ **Control**

You decide when to start saving and how much to save.

You may save up to 100% of eligible compensation after reduction for taxes, wage garnishments, employee insurance premiums, and other committed deductions, not to exceed statutory limits.

You can change your contribution rate at any time.

If you had a tax-qualified retirement savings account with a former employer, or a qualified rollover IRA, you may roll it over into this plan.

■ **Choice**

After the first 1% you contribute (invested in the defined benefit portion of the plan), you choose how to invest your savings in the plan's investment funds. You can change your choices and move your savings to different investment funds at any time.

■ **Automatic saving**

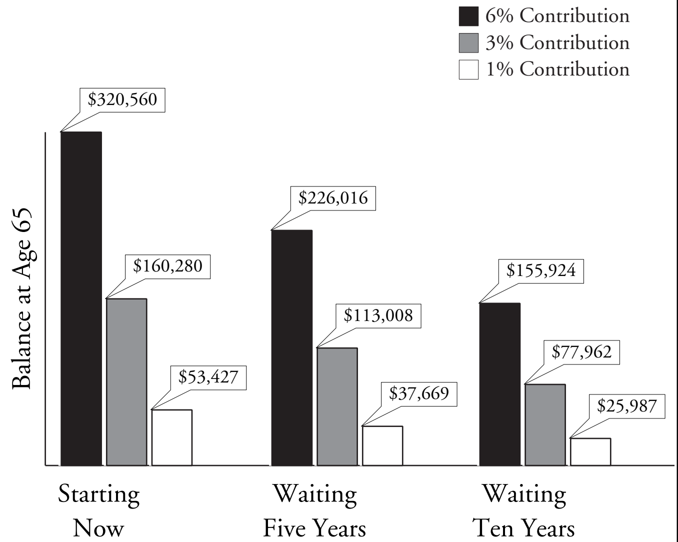
Your contributions are automatically deducted from your pay, deposited into your account.

■ **Growth**

You don't pay taxes on company contributions or investment earnings until you take them out of your account. This means that all your investment earnings are reinvested in the plan so that they'll continue to grow tax deferred. These earnings on your earnings are called "compounding," and it is what makes the plan such a powerful savings tool.

The Picture

Time really is money! Here's an example showing how a participant's investment could grow at different contribution levels and how waiting can dramatically impact possibilities. This assumes a $45,000 salary and an average return of 6%. These numbers also assume that you are 30 years old, your pay remains the same as it is now, and that you contribute the indicated percentages of pay and receive matching contributions each year. Your actual results may vary depending on your pay, contribution level, and investment strategy.



Ownership

■ Sharp's Matching Contributions

Sharp will make matching contributions to your after-tax savings as shown in the schedule below:

If You Contribute...	Sharp Will Contribute...	For a Total Contribution of....
1%	2%	3%
2%	2.5%	4.5%
3%	3%	6%
4%	3.5%	7.5%
5%	4%	9%
Less Than 20 Yrs Vesting Service		
6%	4.5%	10.5%
20 Yrs or More Vesting Service		
6%	6.0%	12.0%
Beyond 6%	No employer match beyond 6% employee contribution	No employee match beyond 6% employee contribution

■

Your years of service determine when you vest in — or earn ownership of — company contributions and their earnings. You are always 100% vested in your own contributions and their earnings. Vesting service includes any calendar year you are credited with at least 1,000 hours of service.

Sharp Match on Voluntary After-tax Contributions

Years of Service	Vesting Percentage
1	25%
2	50%
3	100%

■ Access

You are able to withdraw your after-tax employee contributions as an in-service withdrawal once per 12-month period. However, if you take an in-service withdrawal, you are required to stop contributions to the plan for a period of six months. If you leave the company, you can take your vested balance with you and keep it growing by rolling it over into an individual retirement account (IRA).

■ Education and guidance

Visit the Your Benefits Resources Web site to get information about how the plan works, learn about the basics of saving and investing, and research the plan's investment funds. Use the site at any time, at your own pace. Plus, use the site to access tools that can help you plan your savings and investment strategy.

Your Investment Choices

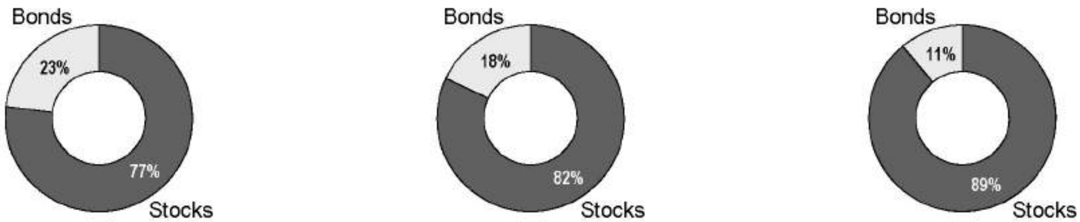
The following is an overview of the plan's investment funds. If you need more information to help you decide how to invest your savings, see "The Basics of Investing" section. It covers concepts such as fund types, asset classes, risk and return, diversification, and time horizon.

Funds

The funds let you create your own investment mix. It is important to balance the funds' risk-and-return profiles with the amount of time that your money will be invested between now and retirement. You should review your investment choices and asset allocation at least once a year and rebalance as appropriate to maintain your asset allocation strategy.

The Picture

Here are sample allocations for someone between the ages of 40 and 49, with either a Conservative, Moderate, or Aggressive portfolio:



Conservative **Moderate** **Aggressive**

Note: Depending on your personal situation, other asset allocations may be better suited for you. You should consider your other assets, income and investments (e.g. equity in a home, IRA investments, and savings accounts) in addition to your interests in the plan.

This chart lists the available funds, from most conservative to most aggressive. More conservative funds generally have lower risk of investment loss, and returns are likely to be lower in the long term. More aggressive funds generally have higher risk of investment loss in the short term, but returns are more likely to outpace inflation in the long run.

Fund Name	Strategy	Asset Class
Vanguard Balanced Index Fund	The fund seeks to track, with respect to 60% of its assets, investment performance of the CRSP US Total Market Index, and with respect to 40% of its assets, investment performance of the Barclays U.S. Aggregate Float Adjusted Index.	Balanced
Russell Investment Contract Fund	The fund seeks to provide a high-quality, diversified portfolio of stable value instruments.	Cash/Stable
Russell Fixed Income I Fund	The fund seeks favorable returns comparable to the broad fixed income market by investing in bonds representing a diversity of sectors and maturities.	Bond
Russell U.S. Equity Index	Seeks large cap U.S. equity returns that mirror the Russell 1000® Index by investing in the 1,000 largest U.S. stocks.	Large Cap

Fund Name	Strategy	Asset Class
JP Morgan Value Advantage	The fund seeks to provide a consistently high total return from a broadly diversified portfolio of equity securities with risk characteristics similar to the Standard and Poor's 500 Composite Stock Price Index (S&P 500 Index).	Large Cap Value
T Rowe Price Growth Fund	The investment seeks to provide long-term capital appreciation. The fund normally invests at least 80% of assets in the common stocks of large companies. A large company is defined as one whose market cap is larger than the median market cap of companies in the Russell 1000 Growth Index. While the fund invests most assets in U.S. common stocks, it may also purchase other securities including foreign stocks, futures, and options. The fund is non-diversified.	Large Cap Growth
Russell Large Cap U.S. Equity Fund	The fund seeks to generate excess return over its benchmark, the Russell 1000 Index, on an annualized basis over a full market cycle.	Large Cap
Vanguard MidCap Index Fund	The fund seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks. The fund employs a "passive management" approach designed to track the performance of the CRSP US Mid Cap Index, a broadly diversified index of stocks of medium-size U.S. companies.	Mid Cap
Russell Equity II Fund	The fund seeks high, long-term returns that exceed the Russell 2500 Index by investing in the smaller capitalization stocks of the U.S. stock market.	Small Cap
Russell All International Markets Fund	The fund seeks high, long-term returns comparable to the broad international stock market by investing in companies from developed and emerging countries around the world.	International
T. Rowe Price International Discovery Fund	The fund seeks long-term growth of capital by investing primarily in the common stocks of rapidly growing small and medium-sized foreign companies.	International
Prudential Global Real Estate Fund	The fund seeks capital appreciation and income. The fund normally invests at least 80% of assets in equity related securities of real estate companies, principally real estate investment trusts. It invests at least 40% of total assets in foreign securities.	Other

Need More Information?

The Your Benefits Resources Web site is your best source for detailed plan information and tools that will help you make the saving and investing decisions that are right for you. Make sure you are taking advantage of everything that the site and the plan have to offer.

This booklet provides a brief overview of the Plan's features. Please refer to your Summary Plan Description for more details.

The Basics of Investing

How do you decide which funds are right for you? By doing a little homework! After you review this section, you'll be better equipped to make investment decisions that support your long-term savings goals.

Fund Types

There are many different types of investment funds, and each one has a different investment objective and risk-and-return profile. Compare the following overview with your savings plan's fund options to help you understand which funds might be right for you. "Asset Class" indicates a fund's investment type, and "Strategy" indicates the fund's desired performance.

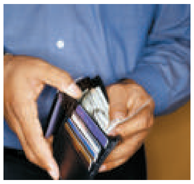
More conservative funds.

Generally have lower risk of investment loss, but returns are likely to be lower over the long term.

Asset Class	Strategy
Stable Value/ Cash	Seeks to maintain value and provide consistent returns by investing in high-quality, short-term securities. Examples include money market funds, U.S. Treasury bills, and insurance contracts.
Short-Term Bond	Seeks income by investing in shorter-maturity (typically up to three years) bonds.
Long-Term Bond	Seeks long-term growth by investing in longer-maturity (seven or more years) bonds.
Balanced	Invests in a mix of stocks and bonds to achieve higher returns than those of all-bond funds, but with less risk of loss than all-stock funds.
Large Cap Stock	Seeks long-term capital growth by investing primarily in the common stocks of companies that have large total market values and that are typically more well-established in their businesses.
Mid Cap Stock	Seeks long-term capital growth by investing in stocks of companies that have mid-sized total market values.
Small Cap Stock	Seeks long-term growth by investing in stocks of smaller and/or up-and-coming companies.
International Stock	Seeks capital appreciation by investing primarily in the common stock of non-U.S. companies. Currency fluctuations and political developments could add risk.
Emerging Markets	Seeks long-term growth by investing in companies of developing countries. Currency fluctuations and political developments could add risk.

More aggressive funds.

Generally have higher risk for investment loss in the short term, but returns are more likely to outpace inflation over the long term.



Understanding Style

When you research investment funds, you'll see the term "style." This refers to how funds are managed and invested. Here's some background on what this means:

Management Style

Passive. Passively managed funds—which are also called "index funds"—attempt to mirror the performance of a particular investment index, such as the S&P 500. They typically have lower fees than actively managed funds.

Active. Actively managed funds seek to perform better than competing funds and benchmarks.

Investment Style

Value. Value funds invest in underpriced companies that show signs of improvement. The stocks of these companies usually have low price/earnings ratios.

Growth. Growth funds invest in companies that have strong earnings growth prospects. The stocks of these companies usually have high price/earnings ratios.

Geographic Style

Domestic. Domestic funds hold U.S. investments.

International. International funds hold non-U.S. investments.

Global. Global funds hold both U.S. and non-U.S. investments.

What's in Your Funds

Savings plan funds are made up of different mixes of stocks, bonds, and stable value investments. Here's a look at what these types of investments are.

Stocks. Companies sell stock to raise money. The stock buyer actually buys a part of the company that issued the stock.

Stocks, which are also called "equities," provide value in two ways. First, some companies pay out a portion of their annual earnings to shareholders as dividends. Second, when shareholders sell stock, they can get a "capital gain" if the price at which they sold the stock is higher than the price they paid for it. If a stock is sold for less than its purchase price, that's a "capital loss." Stocks have a higher risk of investment loss than bonds and stable value investments, but are more likely to significantly outpace inflation over time.

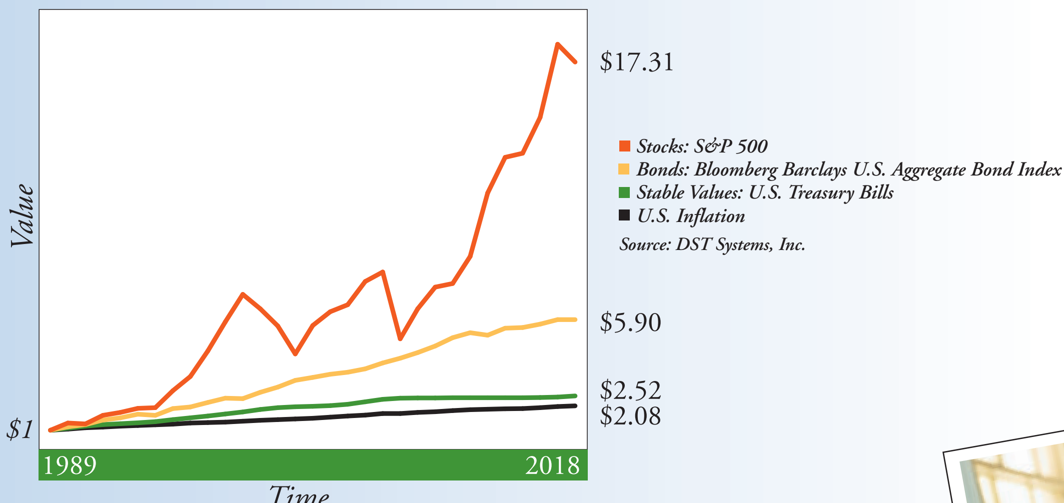
Bonds. Buying a bond is like giving a loan to a company, bank, or government. The bond issuer promises to pay the buyer back at a specific time with interest. Bonds have a higher risk of investment loss than stable value investments, but are more likely to outpace inflation over time.

Stable Value Investments. Stable value investments are designed to maintain their value and provide a consistent rate of return. Money market funds and U.S. Treasury bills are examples of stable values. So are agreements between insurance companies or banks and other organizations that guarantee a specific rate of return over a specific period of time.

Stable value investments typically have less risk of investment loss, and returns are likely to be in line with inflation.

How Investments Grow Over Time

This chart shows how a $1 investment in stocks, bonds, and stable value investments would have grown over a specific period of time. As you can see, despite the stock market's ups and downs, stocks would have returned the most money in the long run, followed by bonds, and then stable value investments. When you're deciding how to invest your money in the plan's funds, make sure that you understand the funds' underlying investment types and what this might mean over the long term.



Note: Past performance is no guarantee of future results.

Risk, Return, and Time Horizon

Part of figuring out which investments are right for you depends on your risk tolerance. If you can sleep easily at night knowing that most of your money is invested in the stock market—which has a higher risk of investment loss corresponding to its greater potential for long-term investment growth—you have a high risk tolerance. If you can't tolerate the potential for any short-term investment loss, you have a low risk tolerance.

To determine whether lower-risk or higher-risk investments best meet your needs, you have to consider your investment goals, how long you plan to invest, and your willingness to watch your account balance go up or down over time.

- If you have a high risk tolerance, you might be comfortable with investments that have a higher risk of investment loss in the short term corresponding to their greater potential for long-term investment growth. These investments are more likely to significantly outpace inflation—the rate at which the cost of goods and services increases—over time. They may include large cap stock, small cap stock, and international stock funds.
- If your tolerance level is somewhere in the middle, you may want investments that have a more moderate risk of investment loss in the short term, and a corresponding moderate potential for long-term investment growth. Investments in this category may include balanced funds.
- If you have a low risk tolerance and don't want to risk investment loss, you might be more comfortable with stable value and money market funds, knowing that you're likely to see investment returns that are in line with inflation.

That said, it's very important to balance your risk tolerance with your time horizon, or the number of years that your money will be invested. If you don't, chances are that you won't have enough money to retire. Consider this:

- If you have a low risk tolerance and a long time horizon, you may need to stretch a little and consider higher-risk investments. If you invest too conservatively, your money will be less likely to grow enough to provide you with an adequate retirement income—especially if your returns don't outpace inflation. For example, if inflation holds steady at 4% a year, the prices of everything you need to live will double in about 18 years. At 5% inflation, prices will double in about 14 years.
- If you have a high risk tolerance but only a short time until you retire, you may need to invest more conservatively to guard against investment losses that could hurt your financial security in retirement.

DIVERSIFICATION AND ASSET ALLOCATION

- **Diversifying** means putting your money in several different investments to spread out your risk.
- **Asset allocation** is how you divide your money between types of investments or asset classes.

If your investments are diversified, your account is less likely to be hurt by the poor performance of a single investment.

Studies have shown that asset allocation is a key factor in determining risk and return. It not only helps you to spread risk, but also may help you to meet your long-term savings goals.

Ready to Get Started?

When you join a savings plan, you're not just a saver—you're an investor. A savings plan is a natural place for you to begin investing. And by joining the plan, you can avoid the biggest investment mistake of all—doing nothing.

After you get started, keep going. No one has a magic formula that can guarantee success. But one thing is certain: ***Nothing happens if nothing begins!***

This booklet is educational, and its content should not be interpreted as investment advice. The booklet uses examples to illustrate concepts; these examples are based on historical information and are not intended to predict future results. The assumed rates of return do not represent the performance of any particular investment.

Sharp HealthCare
403(b) Retirement Plan

Summary Plan Description
Effective January 1, 2020

SHARP®

Table of Contents

Sharp HealthCare 403(b) Tax Deferred Retirement Plan

— SUMMARY PLAN DESCRIPTION —

Introduction

Sharp HealthCare has adopted the Sharp HealthCare 403(b) Tax Deferred Retirement Plan *(the "Plan")* to help you save for retirement. As an employee of Sharp HealthCare, you may be entitled to participate in the Plan, provided you satisfy the conditions for participation as described in this Summary Plan Description.

This Summary Plan Description *("SPD")* is designed to help you understand the retirement benefits provided under the Plan and your rights and obligations with respect to the Plan. This SPD contains a summary of the major features of the Plan, including the conditions you must satisfy to participate under the Plan, the amount of benefits you are entitled to as a Plan participant, when you may receive distributions from the Plan, and other valuable information you should know to understand your Plan benefits. Sharp HealthCare encourages you to read this SPD and contact the Employee Benefits Department *(or other designated Plan representative)* if you have any questions regarding your rights and obligations under the Plan.

This SPD does not replace the formal Plan document, which contains all of the legal and technical requirements applicable to the Plan. However, this SPD does attempt to explain the Plan language in a non-technical manner that will help you understand your retirement benefits. If the non-technical language under this SPD and the technical, legal language under the Plan document conflict, the Plan document always governs. If you have any questions regarding the provisions contained in this SPD or if you wish to receive a copy of the legal Plan document, please contact the Employee Benefits Department *(or other designated Plan representative)*.

The Plan document may be amended or modified due to changes in law, to comply with pronouncements by the Internal Revenue Service *(IRS)* or Department of Labor *(DOL)*, or due to other circumstances. If the Plan is amended or modified in a way that changes the provisions under this SPD, you will be notified of such changes.

This SPD does not create any contractual rights to employment nor does it guarantee the right to receive benefits under the Plan. Benefits are payable under the Plan only to individuals who have satisfied all of the conditions under the Plan document for receiving benefits.

General Plan Information and Key Definitions

This section contains information regarding the day-to-day administration of the Plan as well as the definition of key terms used throughout this Summary Plan Description.

PLAN NAME: Sharp HealthCare 403(b) Tax Deferred Retirement Plan

PLAN NUMBER: 006

EMPLOYER:

Name: Sharp HealthCare
Address: 8695 Spectrum Center Boulevard
San Diego, CA 92123-1489
Telephone number: (858) 499-5280
Employer Identification Number (EIN): 95-6077327

In addition to the Employer listed above, this Plan is also maintained by the following Participating Employer(s): *(including but not limited to)* Sharp Memorial Hospital, Sharp Chula Vista Medical Center, Grossmont Hospital Corporation, Sharp Coronado Hospital and Health Care Center, and Sharp Rees-Stealy Medical Centers or any Code Section 501(c)(3) tax exempt entity that is a member of the Sharp HealthCare controlled group within the meaning of Code Sections 414(c) on whose behalf Sharp HealthCare is authorized to and does execute this document.

PLAN ADMINISTRATOR:

The Plan Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Plan Administrator maintains the Plan records, provides you with information necessary to request a distribution from the Plan, and directs the payment of your benefits when required under the Plan. The Plan Administrator also will allow you to review the formal Plan document and other materials related to the Plan.

The Plan Administrator has the authority to interpret and apply the Plan's provisions in its sole discretion. The Plan Administrator has the authority to interpret the plan in order to make eligibility and benefit determinations in its sole discretion. The Plan Administrator also has the discretionary authority to make factual determinations as to whether any individual is entitled to receive any benefits under the Plan.

Sharp HealthCare is acting as Plan Administrator. Sharp may designate other persons to perform the duties of Plan Administrator. Sharp has designated Lincoln Financial Group to perform certain plan administrative duties *(as defined below):*

PLAN REPRESENTATIVE:

Lincoln Financial Group is the Plan Service Provider. Lincoln provides record keeping and participant services, located at:

Main Office
Lincoln Financial Group
1300 S. Clinton St.
Fort Wayne, IN 46802
(800) 234-3500

Local Office
Lincoln Financial Group
2020 Camino Del Rio N., Ste. 800
San Diego, CA 92108
(619) 543-9995

CUSTODIAN:

Lincoln Financial Group Trust Company (LFGTC) is the Custodian of the Plan's assets. LFGTC provides custodial and benefit payment services for plan assets, located at:

Lincoln Financial Group Trust Company
1300 South Clinton Street
P.O. Box 7892
Fort Wayne, IN 46802
(800) 234-3500

SERVICE OF LEGAL PROCESS:

Service of legal process may be made upon Sharp HealthCare at the address on page 2.

EFFECTIVE DATE OF PLAN:

This Plan is a restatement of an existing Plan to comply with current law. This Plan was originally effective January 1, 1982 and amended and restated effective December 1, 2019. However, unless designated otherwise, the provisions of the Plan as set forth in this Summary Plan Description are effective as of January 1, 2020.

PLAN YEAR:

Many of the provisions of the Plan are applied on the basis of the Plan Year. For this purpose the Plan Year is the calendar year running from January 1 – December 31.

PLAN COMPENSATION:

The term "compensation" has different meanings within the Plan document. Compensation is generally defined as your total taxable wages or salary increased to include any pre-tax deferrals you make to a 403(b) plan and any other pre-tax contributions you make under any other plans Sharp HealthCare maintains, including any pre-tax contributions you make under a "cafeteria" plan.

For the purpose of making Deferrals, Plan Compensation, as defined in the Basic Plan Document section 1.94, is modified to mean your total compensation earned during the Plan Year excluding the following types of compensation: All bonuses, retro pay, PTO final payout, PTO pay-off/donation, deferred compensation distributions, relocation pay, annual PTO payout, COBRA reimbursement, leave or disability pay after severence of employment, and any form of non-cash income *(each of these excluded categories of remuneration is recorded and reported in Sharp HealthCare's payroll system under pay codes bearing these or similar names)*. Furthermore, employee elective salary deferrals of any participant for any calendar year shall not exceed the annual statutory limits (e.g., for calendar year 2020, $19,500 and $26,000 if age 50 or older). In addition, for employees electing to make contributions as a percent of pay (rather than a flat dollar amount each pay date) the maximum deferral percentage on a pay period basis cannot exceed 80% of eligible pay period compensation.

NORMAL RETIREMENT AGE:

You will reach Normal Retirement Age under the Plan when you turn age 65.

EARLY RETIREMENT AGE:

You will reach Early Retirement Age under the Plan when you turn age 55.

Description of Plan

TYPE OF PLAN. This Plan is a special type of retirement plan commonly referred to as a 403(b) plan and is subject to ERISA. Under the Plan, you may choose to have a specific percentage or dollar amount, up to statutory and Plan limits withheld from your salary and have such amount deposited directly into a 403(b) account on your behalf. This pre-tax contribution is called a "Salary Deferral." As a pre-tax contribution, you do not have to pay any income tax while your Salary Deferrals are held in the Plan, and any earnings on your Salary Deferrals are not taxed while they stay in the Plan. You also may choose to make contributions to the Plan on an after-tax basis, by designating your Salary Deferrals as Roth Deferrals. While you are taxed on a Roth Deferral in the year you contribute to the Plan, you will not be taxed on the contributions or earnings attributable to Roth Deferrals under the Plan when you elect to withdraw your Roth amounts from the Plan, as long as your withdrawal is a qualified distribution. See the discussion of Roth Deferrals below.

This 403(b) Plan is intended to qualify under Section 403(b) of the Internal Revenue Code. As a 403(b) plan, it is not covered under Title IV of ERISA and, therefore, benefits are not insured by the Pension Benefit Guaranty Corporation.

Plan Contributions

The Plan provides for the contributions listed below. Special rules also may apply if you leave employment to enter qualified military service. See your Plan Administrator if you have questions regarding the rules that apply if you are on military leave.

SALARY DEFERRALS

If you have satisfied the conditions for participating in the Plan, you are eligible to make Salary Deferrals to the Plan. To begin making Salary Deferrals, you must complete a Salary Deferral Election requesting that a portion of your compensation be contributed to the Plan instead of being paid to you as wages. Employee elective salary deferrals of any participant for any calendar year shall not exceed the annual statutory limits (e.g., for calendar year 2020, $19,500 and $26,000 if age 50 or older). In addition, for employees electing to make contributions as a percent of pay (rather than a flat dollar amount each pay date) the maximum deferral percentage on a pay period basis cannot exceed 80% of eligible pay period compensation. You may make a Salary Deferral Election through the Lincoln Alliance website at **www.lincolnfinancial.com** or by calling **1-800-234-3500**. Any Salary Deferrals you make to the Plan will be invested in accordance with your investment elections and the Plan's investment policies.

PRE-TAX SALARY DEFERRALS. If you make Salary Deferrals to the Plan, you will not have to pay income taxes on such amounts or on any earnings until you withdraw those amounts from the Plan.

Consider the following examples:

- *If you earn $30,000 a year, are in the 28% tax bracket, are eligible to participate in the Plan and you elect to save 3% (or $900) of your salary under the 403(b) Plan this year, you would save $252 in Federal income taxes (28% of $900 = $252).*
- *If you earn $30,000 a year, are in the 28% tax bracket, are eligible to participate in the Plan, and you elect to save 5% (or $1,500) of your salary under the 403(b) Plan this year, you would save $420 in Federal income taxes (28% of $1,500 = $420).*
- *If you earn $30,000 a year, are in the 28% tax bracket, are eligible to participate in the Plan and you elect to save 8% (or $2,400) of your salary under the 403(b) Plan this year, you would save $672 in Federal income taxes (28% of $2,400 = $672).*

The more you are able to contribute to the Plan, the greater your tax savings will be. In addition, if the amount of your Salary Deferrals grows due to investment earnings, you will not have to pay any income taxes on those earnings until such time as you withdraw those amounts from the Plan.

ROTH DEFERRALS. You also may be able to avoid taxation on earnings under the Plan by designating your Salary Deferrals as Roth Deferrals. Roth Deferrals are a form of Salary Deferral but, instead of being contributed on a pre-tax basis, you must pay income tax currently on such deferrals. However, provided you satisfy the distribution requirements applicable to Roth Deferrals, you will not have to pay any income taxes at the time you withdraw your Roth Deferrals from the Plan, including amounts attributable to earnings. Thus, if you take a qualified distribution *(as discussed on page 11)* your entire distribution may be withdrawn tax-free. You should discuss the relative advantages of pre-tax Salary Deferrals and Roth Deferrals with a financial advisor before deciding how much to designate as pre-tax Salary Deferrals and Roth Deferrals.

SALARY DEFERRAL ELECTION. In order to begin making Salary Deferrals under the Plan, you may make a Salary Deferral Election through the Lincoln Alliance website at **www.lincolnfinancial.com** or by calling **1-800-234-3500.**

CHANGE OF ELECTION. You can increase, decrease, or stop the amount of your Salary Deferrals at any time. Any change you make to your Salary Deferral Election will become effective as of the next designated election date *(typically the next pay date).*

SPECIAL RULES. The following special rules apply for purposes of determining the amount of Salary Deferrals that may be made under the Plan: Employee elective salary deferrals of any participant for any calendar year shall not exceed the annual statutory limits (e.g., for calendar year 2020, $19,500 and $26,000 if age 50 or older). In addition, for employees electing to make contributions as a percent of pay (rather than a flat dollar amount each pay date) the maximum deferral percentage on a pay period basis cannot exceed 80% of eligible pay period compensation.

ROLLOVER CONTRIBUTIONS

If you have an account balance in another employer's qualified retirement plan or an IRA, you may move those amounts into this Plan, without incurring any tax liability, by means of a "rollover" contribution. You are always 100% vested in any amounts you contribute to the Plan as a rollover from another qualified plan or IRA. Rollover contributions will be affected by any investment gains or losses under the Plan.

You may accomplish a rollover in one of two ways. You may ask your prior plan administrator to directly rollover to this Plan all or a portion of any amount which you are entitled to receive as a distribution from your prior plan. Alternatively, if you receive a distribution from your prior plan, you may elect to deposit into this plan any amount eligible for rollover within 60 days of your receipt of the distribution. Any rollover to the Plan will be credited to your Rollover Contribution Account. You will be able to withdraw the amounts in your rollover account at any time.

Generally, the Plan will accept a rollover contribution from another qualified retirement plan or IRA. The Plan may have separate procedures limiting the type of rollover contributions it will accept. For example, the Plan Administrator may impose restrictions on the acceptance of after-tax contributions or Salary Deferrals *(including Roth Deferrals)* or rollovers from particular types of plans. In addition, Sharp HealthCare may, in its discretion, apply restrictions on the acceptance of rollover contributions if you are not currently a participant in the Plan. In no event will these procedures be applied in a discriminatory manner.

If you have questions about whether you can rollover a prior plan distribution, please contact the Employee Benefits Department or other designated Plan representative.

Eligibility Requirements

This section sets forth the requirements you must satisfy to participate under the Plan. To qualify as a participant under the Plan, you must be an Eligible Employee.

ELIGIBLE EMPLOYEE

You are considered an Eligible Employee if you are an employee of Sharp HealthCare *(including System Services, Sharp Metro Campus, Sharp Rees-Stealy, SharpCare and SCTC),* Sharp Chula Vista Medical Center, Grossmont Hospital Corporation, Sharp Coronado Hospital and Health Care Center, or any Code Section 501(c)(3) tax exempt entity that is a member of the Sharp HealthCare controlled group within the meaning of Code Sections 414(c) on whose behalf Sharp HealthCare is authorized to and does execute this document, provided you are not otherwise excluded from the Plan.

The Plan excludes from participation certain designated employees. If you fall under any of the excluded employee categories, you will not be eligible to participate under the Plan *(until such time as you no longer fall into an excluded employee category)*.

The following categories of employees are not eligible to participate in the Plan:

- *Non-resident aliens who do not receive any compensation from U.S. sources*
- *Employees eligible for a 401(k) plan sponsored by Sharp HealthCare*

MINIMUM AGE AND SERVICE REQUIREMENTS

If you are an Eligible Employee, you are able to make Salary Deferrals into the Plan. There are no minimum age or service requirements to make Salary Deferrals.

Limit on Contributions

For employees electing to make contributions as a percent of pay (rather than a flat dollar amount each pay date) the maximum deferral percentage on a pay period basis cannot exceed 80% of eligible pay period compensation. In addition, the IRS imposes annual limits on the amount of deferrals you may make under this plan, as described below.

IRS LIMITS ON SALARY DEFERRALS. The IRS imposes limits on the amount you can contribute as Salary Deferrals during a calendar year. For 2020, the maximum deferral limit is $19,500. For years after 2020, the maximum deferral limit will be adjusted for cost-of-living each year. In addition, if you are at least age 50 by December 31 of the calendar year, you also may make a special catch-up contribution in addition to the maximum deferral limit described above. For 2020, the catch-up contribution limit is $6,500. For years after 2020, the catch-up contribution limit will be adjusted for cost-of-living each year.

> *Example.* If you are at least age 50 by December 31, 2020, the maximum Salary Deferral you may make for the 2020 calendar year would be $26,000 *[i.e., $19,500 maximum deferral limit plus $6,500 catch-up contribution limit].*

The IRS deferral limit applies to all Salary Deferrals you make in a given calendar year to this Plan or any other cash or deferred arrangement *(including a cash or deferred arrangement maintained by an unrelated employer).* For this purpose, cash or deferred arrangements include 401(k) plans, 403(b) plans, or simplified employee pension *(SEP)* plans.

If you make Salary Deferrals for a given year in excess of the deferral limit described above under this Plan or another plan maintained by Sharp HealthCare, you will automatically receive a distribution of the excess amount and associated earnings by April 15. If you make Salary Deferrals for a given year in excess of the deferral limit described above because you made Salary Deferrals under this Plan and a plan of an unrelated employer, you must ask one of the plans to refund the excess amount to you. If you wish to take a refund from this Plan, you must notify Sharp HealthCare *(or other designated Plan representative)*, in writing, by March 1 of the next calendar year so the excess amount and related earnings may be refunded by April 15. The excess amount is taxable for the year in which you made the excess deferral. If you fail to request a refund, you will be subject to taxation in two separate years: once in the year of deferral and again in the year the excess amount is actually paid to you.

Determination of Vested Benefit

SALARY DEFERRALS. You are always 100% vested in your Salary Deferrals. In other words, you have complete ownership rights to your Salary Deferrals under the Plan. There are no Employer Contributions to the Plan.

PROTECTION OF VESTED BENEFIT. You have an ownership right to your Salary Deferrals and any earnings on those amounts. While you may not be able to immediately withdraw your vested benefits from the Plan due to the distribution restrictions described below, you generally will never lose your right to those vested amounts. However, it is possible that your benefits under the Plan will decrease as a result of investment losses. If your benefits decrease because of investment losses, you will only be entitled to the vested amount in your account at the time of distribution.

Plan Distributions

DISTRIBUTION UPON TERMINATION OF EMPLOYMENT. When you end your employment with Sharp HealthCare, you become eligible for a total distribution of your 403(b) retirement plan balance.

- *If your account balance is $1,000 or less, it must be distributed as soon as administratively feasible after termination, either as a lump sum payment to you or as a direct rollover to another qualified account.*

- *If your account balance is greater than $1,000 you may leave it invested in the Sharp HealthCare 403(b) Plan. Your account will remain invested and tax deferred. You must begin taking Required Minimum Distributions upon reaching age 72.*
- *You may request an immediate lump-sum distribution payable to yourself. This will incur ordinary income tax liability, plus an additional 10% penalty tax if you are under the age of 59½.*
- *You may request a rollover to an IRA or a retirement plan sponsored by your new employer. This will defer your income tax liability to a future date.*
- *You may choose to have your account balance paid to you as a series of installment payments over time. (Your vested account balance must be greater than $5,000 to select this option.)*
- *If you participate in a Pre-2009 Annuity Contract or a Lincoln Guaranteed Income investment product, you may elect to have that vested balance converted into a life annuity.*

IN-SERVICE DISTRIBUTIONS. You may withdraw vested amounts from the Plan while you are still employed with Sharp, but only if you satisfy the Plan's requirements for in-service distributions. Under the Plan, you may take an in-service distribution if:

- *You are at least age 59½ at the time of the distribution.*
- *You have incurred a hardship, as described below.*
- *You are in certain qualified military duty.*

In addition, you may withdraw amounts attributable to Rollover Contributions at any time.

HARDSHIP DISTRIBUTION. To receive a distribution on account of hardship, you must demonstrate one of the following hardship events.

(1) You need the distribution to pay unpaid medical expenses for yourself, your spouse or any dependent.

(2) You need the distribution to pay for the purchase of your principal residence. You must use the hardship distribution for the purchase of your principal residence. You may not receive a hardship distribution solely to make mortgage payments.

(3) You need the distribution to pay tuition and related educational fees *(including room and board)* for the post-secondary education of yourself, your spouse, your children, or other dependent. You may take a hardship distribution to cover up to 12 months of tuition and related fees.

(4) You need the distribution to prevent your eviction or to prevent foreclosure on your mortgage. The eviction or foreclosure must be related to your principal residence.

(5) You need the distribution to pay funeral or burial expenses for your deceased parent, spouse, child or dependent.

(6) You need the distribution to pay expenses to repair damage to your principal residence *(provided the expenses would qualify for a casualty loss deduction on your tax return, without regard to 10% adjusted gross income limit).*

In addition, a hardship event described under (1), (3) or (5) above may also be determined with respect to a primary beneficiary under the Plan. For this purpose, a primary beneficiary is an individual who is named as a beneficiary under the Plan and has an unconditional right to all or a portion of a participant's benefit upon the death of the participant.

Before you may receive a hardship distribution, you must demonstrate the existence of one of the above hardship events.

In addition, if you have other distributions available under this Plan *(or any other plan Sharp may maintain)* you must take such distributions before requesting a hardship distribution.

You may not receive a hardship distribution of more than you need to satisfy your hardship. In calculating your maximum hardship distribution, you may include any amounts necessary to pay federal, state or local income taxes or penalties reasonably anticipated to result from the distribution. In addition, effective December 1, 2019, hardships are limited to two in a rolling 12 month period.

LIMITS ON IN-SERVICE DISTRIBUTIONS. In addition to the requirements described above for receiving an in-service distribution, the Plan contains additional limits which may limit your ability to take an in-service withdrawal.

> *For Example:* The following special rules apply: Notwithstanding the above, Roth Contributions are not available for in-service and hardship withdrawals.

REQUIRED DISTRIBUTIONS. If you have not begun taking distributions before you attain your Required Beginning Date, the Plan generally must commence distributions to you as of such date. For this purpose, your Required Beginning Date is April 1 following the end of the calendar year in which you attain age 72 or terminate employment, whichever is later.

Once you attain your Required Beginning Date, distributions will commence as required under the Plan. You will be notified of the amount you are required to receive.

DISTRIBUTION DUE TO DISABILITY. If you should terminate employment because you are disabled, you will be eligible to receive a distribution of your vested account balance under the Plan's normal distribution rules. You will be considered to be disabled for purposes of applying the Plan's distribution rules if you are Disabled under.Section 223(d) of the Social Security Act for purposes of determining eligibility for Social Security benefits.

DISTRIBUTIONS UPON DEATH. If you should die before taking a distribution of your entire vested account balance, your remaining benefit will be distributed to your beneficiary or beneficiaries, as designated on the appropriate designated beneficiary election form.

If you are married, your spouse generally is treated as your beneficiary, unless you and your spouse properly designate an alternative beneficiary to receive your benefits under the Plan. If you do not designate a beneficiary to receive your benefits upon death, your benefits will be distributed first to your spouse. If you have no spouse at the time of death, your benefits will be distributed equally to your children. If you have no children at the time of your death, your benefits will be distributed to your estate. For this purpose, any designation of your spouse as designated beneficiary is automatically revoked upon a formal divorce decree unless you re-execute a new beneficiary designation form or enter into a valid qualified domestic relations order *(QDRO).*

TAXATION OF DISTRIBUTIONS. Generally, you must include any Plan distribution in your taxable income in the year you receive the distribution. More detailed information on tax treatment of Plan distributions is contained in the "Special Tax Notice."

ROTH DEFERRALS. If you make Roth Deferrals under the Plan, you will not be taxed on the amount of the Roth Deferrals taken as a distribution (because you pay taxes on such amounts when you contribute them to the Plan). In addition, you will not pay taxes on any earnings associated with the Roth Deferrals, provided you take the Roth Deferrals and earnings in a qualified distribution. For this purpose, a qualified distribution occurs only if you have had your Roth Deferral account in place for at least 5 years and you take the distribution on account of death, disability, or attainment of age 59½. If you have made both pre-tax Salary Deferrals and Roth Deferrals under the Plan, you may designate the extent to which a distribution of Salary Deferrals is taken from your pre-tax Salary Deferral Account or your Roth Deferral

Account. Any distribution of Salary Deferrals (including Roth Deferrals) must be authorized under the Plan distribution provisions.

DISTRIBUTIONS BEFORE AGE 59½. If you receive a distribution before age 59½, you generally will be subject to a 10% penalty tax in addition to regular income taxation on the amount of the distribution that is subject to taxation. You may avoid the 10% penalty tax by rolling your distribution into another plan or IRA. Certain exceptions to the penalty tax may apply. For more information, please review the "Special Tax Notice."

ROLLOVERS AND WITHHOLDING. You may "rollover" most Plan distributions to an IRA or another qualified plan and avoid current taxation. You may accomplish a rollover either directly or indirectly. In a direct rollover, you elect to have your distribution deposited directly into another plan or an IRA. In an indirect rollover, the distribution is made to you and you may rollover that distribution to an IRA or another qualified plan within 60 days after you receive the Plan distribution.

If you are eligible to directly rollover a distribution but choose not to, 20% of your taxable distribution will be withheld for federal income tax withholding purposes. You will receive the appropriate forms for choosing a direct rollover prior to receiving a distribution from the Plan. For more information, see the "Special Tax Notice."

Certain benefit payments are not eligible for rollover and therefore will not be subject to 20% mandatory withholding. The types of benefit payments that are not "eligible rollover distributions" include:

- *installment payments for a period of at least ten (10) years,*
- *minimum required distributions upon reaching age 72,*
- *hardship withdrawals, and*
- *annuities paid over your lifetime*

NON-ASSIGNMENT OF BENEFITS AND QUALIFIED DOMESTIC RELATIONS ORDERS (QDROS): Your benefits cannot be sold, used as collateral for a loan, given away, or otherwise transferred, garnished, or attached by creditors, except as provided by law. However, if required by applicable state domestic relations law, certain court orders could require that part of your benefit be paid to someone else—your spouse or children, for example. This type of court order is known as a Qualified Domestic Relations Order *(QDRO)*. As soon as you become aware of any court proceedings that might affect your Plan benefits, please contact Sharp HealthCare's Employee Benefits Department *(or other designated Plan* *representative).* You may request a copy of the procedures concerning QDROs, including those procedures governing the qualification of a domestic relations order, without charge.

Plan Investments and Fees

INVESTMENT OF PLAN ASSETS. *Plan assets are invested in custodial accounts or annuity contracts.* You have the right to direct the investment of assets held under the Plan on your behalf. The Plan Administrator will provide you with information on the amounts available for direction, the investment choices available to you, the frequency with which you can change your investment choices and other investment information. Periodically, you will receive a benefit statement that provides information on your account balance and your investment returns. If you have any questions about the investment of your Plan account, please contact the Plan Administrator or other Plan representative.

Although you have the opportunity to direct the investment of your benefits under the Plan, the Plan Administrator may decline to implement investment directives where it deems it is appropriate in fulfilling its role as a fiduciary under the Plan. The Plan Administrator may adopt rules and procedures to govern Participant investment elections and directions under the Plan.

This Plan is designed to comply with the requirements of ERISA §404(c). As such, to the extent you are permitted to direct the investment of your account, you are solely responsible for the investment decisions you make with respect to your Plan benefits. No other fiduciary will be responsible for any losses resulting from your direction of investments under the Plan. If you have questions regarding investment decisions or strategies with respect to the investment of your Plan benefits, you should consult an investment advisor.

VALUATION DATE. To determine your share of any gains or losses incurred as a result of the investment of Plan assets, the Plan is valued on a daily basis. Thus, you will receive an allocation of gains or losses under the Plan at the end of each business day during which the New York Stock Exchange is open.

PLAN FEES. There may be fees or expenses related to the administration of the Plan or associated with the investment of Plan assets that will affect the amount of your Plan benefits. Any fees related to the administration of the Plan or associated with the investment of Plan assets may be paid by the

Plan or by Sharp HealthCare. If Sharp HealthCare does not pay Plan-related expenses, such fees or expenses will generally be allocated to the accounts of Participants either proportionally based on the value of account balances or as an equal dollar amount based on the number of participants in the Plan. If you direct the investment of your benefits under the Plan, you will be responsible for any investment-related fees incurred as a result of your investment decisions. Prior to making any investment, you should obtain and read all available information concerning that particular investment, including financial statements, prospectuses, and other available information.

In addition to general administration and investment fees that are charged to the Plan, you may be assessed fees directly associated with the administration of your account. Fees that may be charged directly against your account include:

- *Participant loan origination fees and annual maintenance fees.*
- *Quarterly record keeping fee.*
- *Administration fees if electing Lincoln Secured Retirement option.*

Participant Loans

Participant loans are permitted by the Plan. Loans are subject to a strict set of rules established by law and must be approved by the Plan Administrator. In order to obtain a loan, contact the Plan Administrator.

Plan Amendments and Termination

PLAN AMENDMENTS. Sharp has the authority to amend this Plan at any time. Any amendment, including the restatement of an existing Plan, may not decrease your vested benefit under the Plan, except to the extent permitted under the Internal Revenue Code, and may not reduce or eliminate any “protected benefits” *(except as provided under the Internal Revenue Code or any regulation issued thereunder)* determined immediately prior to the adoption or effective date of the amendment *(whichever is later).* However, Sharp may amend the Plan to increase, decrease or eliminate benefits on a prospective basis.

PLAN TERMINATION. Although Sharp expects to maintain this Plan, Sharp has the ability to terminate the Plan at any time. For this purpose, termination includes a complete discontinuance of contributions under the Plan or a partial termination. In the event of the termination of the Plan, you are entitled to a distribution of your entire vested benefit. Such distribution shall be made directly to you or, at your direction, may be transferred directly to another qualified retirement plan or IRA. If you do not consent to a distribution of your benefit upon termination of the Plan, your vested benefit will be transferred directly to an IRA established for your benefit. Except as permitted by Internal Revenue Service regulations, the termination of the Plan shall not result in any reduction of protected benefits.

A partial termination may occur if either a Plan amendment or severance from service excludes a group of employees who were previously covered by this Plan. Whether a partial termination has occurred will depend on the facts and circumstances of each case. You will be advised if a partial termination occurs and how such partial termination affects you as a Participant.

Plan Participant Rights and Claim Procedures

PARTICIPANT RIGHTS. The Plan is covered by Title I of the Employee Retirement Income Security Act of 1974 *(ERISA),* and as a participant, you are entitled to certain rights and protections. ERISA provides that all Plan participants shall be entitled to:

- *Examine, without charge, at the Plan Administrator's office, all Plan documents including copies of all documents filed by the Plan Administrator with the U.S. Department of Labor.*
- *Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may assess a reasonable charge for the copies.*
- *Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to provide each participant with a copy of this summary annual report.*
- *Obtain a statement telling you whether you have a right to receive benefits under the Plan and, if so, what your current benefits are. You must request*

this statement in writing and you may only request this statement once a year. The Plan Administrator will provide the statement free of charge.

- *File a claim for benefits.*

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 Plan. These people, called "fiduciaries," have a duty to operate the Plan prudently and in the best interests of you, other Plan participants and beneficiaries. You may not be fired or otherwise discriminated against in any way solely to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

ENFORCEMENT OF RIGHTS. If you have a claim for benefits under the Plan that is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. For example, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive the requested documents 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 documents and pay you up to $110 a day until you receive the documents, unless the documents were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a divorce decree that affects the payment of benefits under the Plan, you may file suit in federal court. If the Plan's 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, for example, if it finds your claim is frivolous.

ASSISTANCE WITH QUESTIONS. If you have any questions about the Plan or this SPD, you should contact the Plan Administrator. If you have any questions 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 Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C.

20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

CLAIM FOR BENEFITS. If you feel you are entitled to benefits under the Plan that have not been paid, you may submit to the Plan Administrator a written claim for benefits. Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. The Plan Administrator will evaluate your claim *(including all relevant documents and records you submit to support your claim)* to determine if benefits are payable to you under the terms of the Plan. The Plan Administrator may solicit additional information from you if necessary to evaluate the claim.

If the Plan Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

If the Plan Administrator denies all or any portion of your claim, you will receive within a reasonable period of time *(not to exceed 90 days after receipt of the claim form)*, a written or electronic notice setting forth the reasons for the denial *(including references to the specific provisions of the Plan on which the decision is based)*, a description of any additional information needed to perfect your claim, and the steps you must take to submit the claim for review. If the Plan Administrator determines that special circumstances require an extension of time for processing your claim, it may extend the 90-day period described in the prior sentence to 180 days, provided the Plan Administrator provides you with written notice of the extension and prior to the expiration of the original 90-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan Administrator expects to render its decision.

If the Plan Administrator denies your claim, you will have 60 days from the date you receive notice of the denial of your claim to appeal the adverse decision of the Plan Administrator. You may submit to the Plan Administrator written comments, documents, records and other information relating to your claim for benefits. You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim. The Plan Administrator's review of the claim and of its denial of the claim shall take into account all comments, documents, records and other information relating to the claim, without regard to whether these materials were submitted or considered by the Plan Administrator in its initial decision on the claim. If the Plan Administrator denies your claim for benefits upon review, in whole or in part, you may file suit in a state or Federal court.

If your claim is based on disability benefits, different claim procedures and deadlines will apply. If your benefits are provided or administered by an insurance company, insurance service, or other similar organization which is subject to regulation under the insurance laws, the claims procedure relating to those benefits may provide for review. If so, that company, service, or organization will be the entity to which claims are addressed. Ask the Plan Administrator if you have any questions regarding the proper person or entity to address claims or the deadlines for making a claim for benefits.

SHARP®

Sharp HealthCare 403(b) Retirement Plan

Participating in Sharp's 403(b) plan is easy, convenient, and offers important tax advantages. You may elect either pretax or Roth contributions and (in conjunction with your contributions to the Sharp$aver plan) you may contribute up to annual IRS limits ($19,500 in 2020 or $26,000 if you are at least age 50). Whatever type and amount you choose, your contributions are made easily and automatically via payroll deduction, and because earnings on your contributions grow and compound tax deferred, you save in a tax-efficient manner.

Your 403(b) contributions and earnings (including any consolidated from outside plans) are always 100% vested no matter what happens with your employment.

When you enroll, you'll need to select your investments from among the high quality funds selected by Sharp. For more information on those funds, including expense ratios and historical performance, please scan the QR code with your smartphone or visit **http://sharpnet.sharp.com/hr/benefits** and select "403(b) Kit."

If you don't choose your own investments, your contributions will be invested in the qualified default investment alternative (QDIA) selected by Sharp, a Moderate target date fund determined by your estimated retirement year (i.e., the year in which you turn 65). It's an investment fund designed to provide both long-term appreciation and capital preservation through a mix of stock and bond investments. You may always change your investments at any time you choose.

Target date portfolio	Estimated year of retirement
2060	2058 and After
2055	2053 to 2057
2050	2048 to 2052
2045	2043 to 2047
2040	2038 to 2042
2035	2033 to 2037
2030	2028 to 2032
2025	2023 to 2027
2020	2018 to 2022
Prior to 2018	2017 or before

You may enroll in the plan or make changes to your account in one of three ways:

- Register online at **LincolnFinancial.com/Register**
- Call the Customer Contact Center at **800-234-3500** on weekdays between 5 a.m. and 5 p.m. Pacific
- Make an appointment with your Lincoln Financial Advisor:

Dennis T. Williams, MSBA, CFP®
(CA Insurance License #0C49029)

Art Parry, CRPC®
(CA Insurance License #0D74120)

Maureen Huttel, CRPC®
(CA Insurance License #0J13124)

Steve S. Cannon, CFP®, ChFC®, CRPC®
(CA Insurance License #0D62452)

Cody Barner, CRPC®
(CA Insurance Licence #0M55662)

Akira Abderrahman
(CA Insurance License #2094320)

800-585-5347
Sharp403b@lfg.com

Prospectuses specific to your plan are available online after registering at LincolnFinancial.com. Please see reverse for enrollment tips as well as additional important disclosures.

CRN-2870857-121219

Tips for enrolling

Online

- On the first screen, fill in the data requested, including the moving letters of the Word Verification. Click Next.
- On the next screen, you will be asked to answer four multiple choice questions based on personal details—confirming details like what street you previously lived on, or what kind of car you drive. This basic authentication helps Lincoln prevent identity thieves from falsely registering your account. If you are unable to correctly answer your authentication questions, you must call the Customer Contact Center at 800-234-3500.
- After verifying your identity, please select a username and password. We recommend that you not choose your email address as your username and that you choose a password with letters, numbers, and symbols.
- The next screen will walk you through the process of enrolling, including selecting your contribution rate. You may contribute up to 80% of your eligible wages, as long as it does not exceed annual IRS limits ($19,500 for 2020 or $26,000 if you are age 50 or older).

Phone

- Enter your Social Security Number and Personal Identification Number (PIN) when prompted. Your default PIN is the last four digits of your Social Security Number, but you will be prompted to change that PIN the first time you access your account. For your protection, your PIN is required every time you access your account by phone.
- For help with any transaction, including enrollment, press "0" and a customer service representative will personally handle your request.

Be sure to name your beneficiaries and select your preference for mailed or emailed quarterly statements. Please note that your beneficiaries do not carry over from other plans or benefits. Including Social Security Numbers for your beneficiaries is a good idea but not required.

The fee for plan administration and recordkeeping is $17.00 per quarter. You will see this fee listed on the first page of your quarterly account statements or in an online account summary. Additional information on fees is available after registering/logging into LincolnFinancial.com or by request at 858-499-5177.

Mutual funds in the *Lincoln Alliance®* program are sold by prospectus. An investor should carefully consider the investment objectives, risks, and charges and expenses of the investment company before investing. The prospectus and, if available, the summary prospectus contain this and other important information and should be read carefully before investing or sending money.

Investment values will fluctuate with changes in market conditions, so that upon withdrawal, your investment may be worth more or less than the amount originally invested. Prospectuses for any of the mutual funds in the *Lincoln Alliance®* program are available at 800-234-3500.

The *Lincoln Alliance®* program includes certain services provided by Lincoln Financial Advisors Corp. (LFA), a broker-dealer (member FINRA) and an affiliate of Lincoln Financial Group, 1300 S. Clinton St., Fort Wayne, IN 46802. Unaffiliated broker-dealers also may provide services to customers. Lincoln Investment Advisors Corporation (LIAC) is the investment management organization of Lincoln Financial Group. Retirement Consultants are registered representatives of LFA. Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

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The target date is the approximate date when investors plan to retire or start withdrawing their money. Some target-date portfolios make no changes in asset allocation after the target date is reached; other target-date funds continue to make asset allocation changes following the target date. (See prospectus for the fund's allocation strategy.) The principal value is not guaranteed at any time, including at the target date. An asset allocation strategy doesn't guarantee performance or protect against investment losses. Funds of this nature may be more expensive than other investment options.

Qualified withdrawals from your 403(b) plan as well as qualified withdrawals of earnings or employer contributions from your 401(a) plan are taxed as ordinary income and, if taken prior to age 59½, may be subject to an additional 10% federal tax penalty and possibly state income taxes.

Qualified withdrawals from your Roth 403(b) are tax-free after age 59½ and once your account has been established for 5 years. Withdrawals of Roth earnings taken prior to age 59½ or before the account has been opened 5 years may be subject to a 10% federal tax penalty and possibly state income taxes. No additional taxes will be due on withdrawals of employee contributions to your 401(a) plan; however, if you are under 62 and make a withdrawal from your 401(a), you will be unable to receive employer match contributions for 6 months.

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Not a deposit
Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

LincolnFinancial.com/Retirement

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RETIREMENT PLAN SERVICES

Sharp HealthCare

403(b) Lincoln Alliance Program

Pretax Retirement Plan and
Roth After-tax Retirement Plan

2351507

Sharp HealthCare 403(b) *Lincoln Alliance*® Program

Pretax retirement plan and Roth after-tax retirement plan

- Both traditional pretax and Roth after-tax 403(b) contributions available through payroll deduction
- Enroll and make changes to your account at any time
- Contribute up to $19,500 ($26,000 if age 50 and over)*
- 24-hour internet and telephone access for information and account management
- Representatives are on site to help you to enroll and to make changes
- On-site education and local off-site seminars are available (please call 619-543-9995 for a schedule)

Talk to your representative on site or schedule an appointment

Call 619-543-9995 or email Sharp403b@LFG.com

2020 Camino Del Rio North, #800
San Diego, CA 92108

Dennis T. Williams, MSBA, CFP®
CA Insurance License #0C49029

Steve S. Cannon, CFP®, ChFC®, CRPC®
CA Insurance License #0D62452

Art Parry, CRPC®
CA Insurance License #0D74120

Maureen Huttel, CRPC®
CA Insurance License #0J13124

Cody Barner, CRPC®
CA Insurance License #0M55662

Akira Abderrahman
CA Insurance License #2094320

Mutual funds in the *Lincoln Alliance*® program are sold by prospectus. An investor should carefully consider the investment objectives, risks, and charges and expenses of the investment company before investing. The prospectus contains this and other important information and should be read carefully before investing or sending money. Investment values will fluctuate with changes in market conditions, so that upon withdrawal, your investment may be worth more or less than the amount originally invested. Prospectuses for any of the mutual funds in the *Lincoln Alliance*® program are available at 800-234-3500.

The investment return and principal value of an investment will fluctuate with changes in market conditions so that an investor's shares when redeemed may be worth more or less than the original amount invested.

* Income taxes are due at the time of distribution from the pre-tax plan. An additional 10% IRS penalty may apply on withdrawals made prior to age 59½.

Lincoln Financial Advisors Corp. and its representatives do not provide legal or tax advice. You may want to consult a legal or tax advisor regarding any legal or tax information as it relates to your personal circumstances.

Traditional vs. Roth

Your Sharp HealthCare 403(b) *Lincoln Alliance*® Program offers you a choice between a "traditional" retirement savings plan and a "Roth" retirement savings plan. Here are some facts and examples that may help you decide which option to choose.

Quick facts:

Traditional retirement savings plan:

- Dollars you contribute are deducted from your paycheck before taxes
- You pay no tax on the money now, you are taxed when you take the money out
- Saves you taxes now, but you pay them at retirement when you may be in a lower tax bracket
- Taxes are paid when you take the money out, both on the amount you contributed and on any gain

Roth retirement savings plan:

- Dollars you contribute are deducted from your paycheck after taxes
- You pay tax on the money now and are not taxed when you take the money out
- Costs more to save the money now, but may result in significant tax savings later
- No taxes are paid when you take the money out, either on the amount contributed or any gain

Examples:

Kelly, age 25

- Younger, with a long time horizon
- Entering the plan early
- Expects to be in a higher tax bracket at retirement
- Needs tax-free, long-term growth

	Traditional Pre-Tax	Roth After-Tax
Gross annual income	$40,000	$40,000
Annual contribution (Based on $200 monthly contributions)	$2,400	$2,400
Less taxes (25%)	**-$0**	**-$600**
Annual net contribution	$2,400	$1,800
Value at retirement (for 40 years at 6%)	$383,393	$287,545
Less taxes at 33%	-$126,520	-$0
After tax value	**$266,873**	**$287,545**

Alex, age 40

- Older, with a shorter time horizon
- Entering the plan later
- Expects to be in a lower tax bracket at retirement
- Needs a tax break now

	Traditional Pre-Tax	Roth After-Tax
Gross annual income	$80,000	$80,000
Annual contribution (Based on $400 monthly contributions)	$4,800	$4,800
Less taxes (25%)	**-$0**	**-$1,200**
Annual net contribution	$4,800	$3,600
Value at retirement (for 20 years at 6%)	$182,258	$136,694
Less taxes at 15%	-$27,339	-$0
After tax value	**$154,920**	**$136,694**

These are hypothetical illustrations for demonstration purposes only. They are not indicative of any product or performance and do not reflect any expense associated with investing. Actual investment results will fluctuate based on market conditions so the amount withdrawn may be worth more or less than the original amount invested.

How to enroll

You can easily enroll online or by phone.

Before you begin the enrollment process, complete these simple steps:

1. **Carefully read** the educational and informational materials provided.
2. **Decide how much** you are going to contribute to your retirement account.
3. **Make your investment choices**
   - Which investment options are you going to select?
   - How much are you going to contribute to each option you selected?
4. **Choose your beneficiary.** Determine who will receive the value of your account at the time of your death.

ENROLL ONLINE

To start: Complete all steps mentioned in the "How to Enroll" section. Have ready: Social Security Number.

- Go to LincolnFinancial.com/Register
- Follow the prompts to enter your birthday and Social Security number. Then type in the moving letters you see in the box. For a new set of letters, click the **Refresh** button. To hear the letters, click the **Audio** button and type in what you hear. When finished, select Next to go to the **Login Information** screen.
- Enter your new username and password. Select **Next**. On the confirmation of registration screen, log back in using your username and password. Click **Login** to go to the final steps. Enter your username and select **Continue**. Enter your password and select **Enter**.
- Read the explanation of the security image/phrase and the security questions. Select **Continue**.
- Select a security image and phrase. If you'd like to choose a different security image and phrase than the one that appears on your screen, select **Get a new image and phrase**. After you've chosen a security image and phrase, select **Next**. Select three different security questions and provide answers to each. Answers must be at least three characters. Select **Finish**. You'll be directed to your landing page. Select the **Enroll** button next to your plan.
- A module will pop up on a new tab that will walk you through the enrollment process including selecting your deferral rate and any automatic deferral increase options, if desired. Please be aware that, unless you choose otherwise, your contributions will be allocated to the plan's default investment, the *LifeSpan*® target-date model associated with your estimated year of retirement. You may change your current and future elections at any time.
- After enrolling, we strongly suggest you name your beneficiaries, select your statement delivery preferences, and use the Retirement Income Estimator to help set your retirement goals.

ENROLL BY PHONE

To start: Complete all steps mentioned above in the "How to Enroll" section. Have ready: Social Security Number and PIN.

Your default Personal Identification Number (PIN) is the last 4 digits of your Social Security Number, but you will be prompted to change that PIN the first time you login. For your protection, your PIN is required every time you access your account by phone. Keep your PIN in a safe place.

- Call **800-234-3500**
- Enter your Social Security Number and PIN when prompted.
- The voice response system offers a menu of options and step-by-step instructions.
- For help with any transaction, including enrollment, press "0" and a customer service representative will personally handle your request.
- Confirmation letters are mailed within seven days after making the transaction. When you have finished making choices on the voice-response system, you can hang up.
- If you do NOT make your investment choices, your contributions will be automatically invested in the plan's default investment, the *LifeSpan*® target-date model associated with your estimated year of retirement.
- If you are invested in a *LifeSpan*® target-date model, your account balances will be periodically automatically rebalanced according to the *LifeSpan*® target-date asset allocation model's investment mix; and you have agreed to participate in any changes in the investment mix for the *LifeSpan*® target-date asset allocation models as the plan sponsor may deem appropriate from time to time keeping with the investment objectives of the selected model. Electing a *LifeSpan*® target-date model will rebalance any existing balance that you currently have. The models will be rebalanced at the end of each quarter.

MANAGE YOUR ACCOUNT ONLINE

To start: Enter your name and password at LincolnFinancial.com. Select the plan you wish you manage.

- To change your **PRETAX or ROTH SALARY DEFERRAL ELECTION:**
  - Find the **My current contribution** box on your account dashboard.
  - Use the pre-set contribution buttons or select **Manage your contributions** for other desired contribution amounts, including Roth.
  - If you select the latter, on the Contributions page click the **Change contributions** button.
  - Change your contributions by sliding the marker on the ruler or typing your desired amount into the Roth or Pre-tax box.
  - Click the **Submit changes** button to confirm.
- To research or select your **INVESTMENT CHOICES:**
  - Find the **My investments** box on your account dashboard.
  - To research investments, click the **Research investments** link. You can examine past performance as well as fees and expenses.
  - To select investments, click the **View/change my investments** link from the main page.
  - On the Investments page, click the **Change investments** button.
  - Select **Future Investment Elections** and press **Continue**.
  - On the subsequent screen, enter the percent of your salary that you'd like to see invested in each fund. Total percentages must equal 100 before you can select **Continue** and confirm your election.
- To enter your **BENEFICIARY ELECTIONS:**
  - Find the **My Preferences** box.
  - Select **Manage your beneficiaries**.
  - Select your marital status.
  - On the next page, enter your primary and contingent beneficiaries. Names and addresses are required; Social Security numbers are optional.
  - If you are married and wish to select anyone besides your spouse as your primary beneficiary, you must print and submit a spousal waiver.

On-site schedule for enrollment and financial education

Employee 403(b) Plan - A pretax and Roth after-tax retirement plan available to Sharp HealthCare employees by payroll deduction

Hospitals	Day and Time	Representative
Chula Vista	Every Thursday 11:00 a.m. - 2:00 p.m.	Art Parry, CRPC® Akira Abderrahman
Coronado – Soledad Room	4th Wednesdays 11:00 a.m. - 3:00 p.m.	Maureen Huttel, CRPC® Dennis Williams, MSBA, CFP®
Grossmont	Every Wednesday, 9:00 a.m. - 2:00 p.m. Appointments: 619-543-9995 x4460	Steve Cannon, CFP®, ChFC®, CRPC® Cody Barner, CRPC®
Memorial/Mary Birch/OPP – Main Building Lobby	Every Tuesday, 11:00 a.m. - 2:00 p.m. Appointments: 2:00 p.m. - 5:00 p.m.	Cody Barner, CRPC® Art Parry, CRPC® Steve Cannon, CFP®, ChFC®, CRPC®
Mesa Vista – call for location	Every Tuesday, 2:30 p.m. - 5:00 p.m.	Cody Barner, CRPC®

Other Locations	Day and Time	Representative
Spectrum – Room 128	Every Monday 10:00 a.m. - 4:00 p.m.	Dennis Williams, MSBA, CFP® Maureen Huttel, CRPC®
Sharp Copley – Room 10	Every Thursday 9:00 a.m. - 2:00 p.m.	Maureen Huttel, CRPC® Cody Barner, CRPC®
SOC – Sharp Operations Center 3751 Corporate Ct, Room 107	1st Wednesday 9:00 a.m. - 11:00 a.m.	Maureen Huttel, CRPC®
Home Care at Spectrum Staff Meeting	Quarterly at Spectrum	Dennis Williams, MSBA, CFP®
Technology Center on Ruffin – Room 214 Sharp Payroll/ Purchasing	1st Wednesday 12:00 p.m. - 4:00 p.m.	Maureen Huttel, CRPC®
Sharp Health Plan	1st Thursday 1:00 p.m. - 3:00 p.m.	Maureen Huttel, CRPC® Dennis Williams, MSBA, CFP®
Sharp Rees Stealy	Call for times and locations	Maureen Huttel, CRPC® Cody Barner, CRPC®

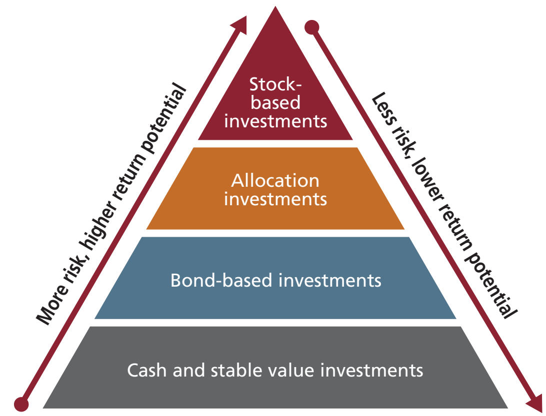
On-site education and local off-site seminars are available. Please call 619-543-9995 for a schedule.

Investment options

Your Sharp HealthCare 403(b) *Lincoln Alliance*® Program offers you many investment options. Choose between a pre-selected variety of stock and bond funds, a fixed account, nine target-date asset allocation models, or a self-directed brokerage account.

Fund based investments

Investment Option	Ticker	Morningstar Category
International Stock-based Investments		
American Funds Europacific Growth R6[2]	RERGX	Foreign Large Growth
Oppenheimer Developing Markets Y[6]	ODVYX	Diversified Emerging Mkts
T. Rowe Price International Discovery[9]	PRIDX	Foreign Small/Mid Growth
U.S. Stock-based Investments		
AB Discovery Value I[1]	ABSIX	Mid-Cap Value
American Funds Fundamental Invs R6	RFNGX	Large Blend
American Funds Invmt Co of Amer R6	RICGX	Large Blend
Pioneer Select Midcap Growth	GROYX	Mid-Cap Growth
Columbia Mid Cap Index R5[1,10]	CPXRX	Mid-Cap Blend
Columbia Small Cap Index R5[1,10]	CXXRX	Small Blend
Fidelity® 500 Index[10]	FXSIX	Large Blend
Goldman Sachs Small Cap Gr Insghts Instl[1]	GSIOX	Small Growth
MFS® Value R3	MEIHX	Large Value
T. Rowe Price New America Growth	PRWAX	Large Growth
Victory Integrity Small-Cap Value Y[1]	VSVIX	Small Value
Balanced/Allocation Investments		
T. Rowe Price Balanced I[8]	RBAIX	Allocation– 50% to 70% Equity
Bond-based Investments		
Delaware Limited-Term Diversified Inc A[4]	DTRIX	Short-Term Bond
Neuberger Berman Strategic Income R6[5]	NRSIX	Multisector Bond
Pioneer Bond Y[4]	PICYX	Intermediate-Term Bond
Principal High Yield A[7]	CPHYX	High Yield Bond
Guaranteed Income		
Secured Retirement Income℠[11]	LIPG010902	Moderate Allocation
Cash/Stable Value Investments		
Lincoln Stable Value Account - F36ZD[12]	N/A	Stable Value



The investment pyramid illustrates the potential risk and return of each broad type of investment asset class.

Target-Date Asset Allocation Models

For those that prefer a "set it and forget it" approach to investing, the plan offers "target-date models" which are designed to help you easily select the investment options that best align with your retirement goals. When choosing a target-date model, you simply determine the projected date at which you think you may take a distribution from your retirement plan and select the model that best aligns with that date.

The target-date models are automatically realigned when market conditions cause them to move away from the selected allocation. The model you select will also change over time, becoming more conservative as you approach your target distribution date. These target-date models have been developed by an independent retirement investment advisor, not affiliated with Lincoln Financial Group.

Investors need to consider their financial situation and tolerance for risk before going into a model, and that it is possible to lose money investing in the model, including at and after the target date.

Self-Directed Brokerage Account

For those that prefer to manage their own money and select their own investments, your plan also offers an individual Self-Directed Brokerage Account (SDBA)[10]. The service is offered through a brokerage company. For more information about the SDBA option, call the customer contact center toll-free at 800-234-3500.

1 Funds that invest in small and/or mid-size company stocks typically involve greater risk, particularly in the short term, than those investing in larger, more established companies.

2 Investing internationally involves risks not associated with investing solely in the United States, such as currency fluctuation, political risk, differences in accounting and the limited availability of information.

3 REITs involve risks such as refinancing, economic conditions in the real estate industry, changes in property values, dependency on real estate management, and other risks associated with a portfolio that concentrates its investments in one sector or geographic region. Funds that concentrate investments in one region or industry may carry greater risk than more broadly diversified funds.

4 The return of principal in bond portfolios is not guaranteed. Bond Portfolios have the same interest rate, inflation, credit, prepayment and market risks that are associated with the underlying bonds owned by the fund (or account).

5 The return of principal in bond portfolios is not guaranteed. Bond portfolios have the same interest rate, inflation, credit, prepayment and market risks that are associated with the underlying bonds owned by the fund (or account).

6 Investing in emerging markets can be riskier than investing in well-established foreign markets. International investing involves special risks not found in domestic investing, including increased political, social, and economic instability.

7 High yield portfolios may invest in high-yield or lower rated fixed-income securities (junk bonds), which may experience higher volatility and increased risk of nonpayment or default.

8 Asset allocation does not ensure a profit, nor protect against loss in a declining market.

9 Investing internationally involves risks not associated with investing solely in the United States, such as currency fluctuation, political risk, differences in accounting and the limited availability of information. Funds that invest in small and/or midsize company stocks typically involve greater risk, particularly in the short term, than those investing in larger, more established companies.

10 An index is unmanaged, and one cannot invest directly in an index.

11 Each Profile Fund is operated as a fund of funds which invests primarily in other funds rather than in individual securities. Funds of this nature may be more expensive than other investment options. The Profile Funds are asset allocation funds; asset allocation does not ensure a profit nor protect against loss.

12 The Lincoln Stable Value Account is a fixed annuity contract issued by The Lincoln National Life Insurance Company, Fort Wayne, IN 46802 on Form 28866-SV 01/01, 28866-SV20 05/04, 28866-SV90 05/04, AN 700 01/12, or AR 700 10/09. **Guarantees for the Lincoln Stable Value Account are subject to the claims-paying ability of the issuer.**

REPRESENTATIVE INFORMATION

Representatives are available for individual appointments on site, at our Mission Valley offices, or at another location. Just call 619-543-9995 or email Sharp403b@LFG.com.

Representatives:

Dennis Williams, MSBA, CFP® ext. 4470
Steve Cannon, CFP®, ChFC®, CRPC® ext. 4460
Art Parry, CRPC® ext. 4465
Maureen Huttel, CRPC® ext. 4476
Cody Barner, CRPC® ext. 4468
Akira Abderrahman, ext. 4480

Local Customer Service
Lori Lyons ext. 4471
Isa Rubio-Gonzalez ext. 4469
April Guthrie ext. 4475

Not a deposit
Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

LincolnFinancial.com/Retirement

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CRN-2351507-121718
CCT 12/19 **Z06**
Order code: SHA-6PAG-RBR001

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Dennis Williams, Steve Cannon, Art Parry, Maureen Huttel, Cody Barner, and Akira Abderrahman are registered representatives of Lincoln Financial Advisors Corp.

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Important Required Notices for

Sharp HealthCare 403(b) Tax Deferred Retirement Plan

December 4, 2019

Sharp HealthCare's 403(b) Tax Deferred Retirement Plan provides you with the opportunity to save for retirement. Sharp seeks to make available a retirement plan that provides you with a full array of investment options and a competitive fee structure.

The annual notices in this booklet are meant to provide you with important plan information. Please take the time to review each notice. The notices are provided for your information. **No action is required on your part**.

Notice or Disclosure **Page**

Summary Annual Report
For Sharp HealthCare
403(b) Tax Deferred Retirement Plan

This is a summary of the annual report for the Sharp HealthCare 403(b) Tax Deferred Retirement Plan, EIN 95-6077327, Plan No. 006, for the period January 1, 2018 through December 31, 2018. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided by insurance contracts and a trust fund. Plan expenses were $27,822,209. These expenses included $400,847 in administrative expenses and $27,247,499 in benefits paid to participants and beneficiaries, and $173,863 in other expenses. A total of 19,209 persons were eligible for and/or were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was $349,945,247 as of the end of the plan year, compared to $349,248,879 as of the beginning of the plan year. During the plan year the plan experienced a change in its net assets of $696,368. This change includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of $27,427,210, including employee contributions of $37,357,589, losses from investments of $(13,932,773) and other income of $4,002,394.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. financial information;
3. information on payments to service providers;
4. assets held for investment; and
5. insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the Employee Benefits Department at Sharp HealthCare, 8695 Spectrum Center Boulevard, San Diego, CA 92123-1489, or by telephone at (858) 499-5280.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan (Sharp HealthCare, 8695 Spectrum Center Boulevard, San Diego, CA 92123-1489) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Sharp HealthCare 403(b) Retirement Plan
Qualified Default Investment Alternative (QDIA)
Employee Notice

Purpose of This Notice

Sharp HealthCare maintains the Sharp HealthCare 403(b) Retirement Plan to help you attain financial security during your retirement years. As a plan participant, you decide how your retirement plan dollars are invested in the investment alternatives available in the plan. If you do not make an investment election, your contributions are invested in the Qualified Default Investment Alternative (QDIA).

This QDIA employee notice:

1. Describes when the QDIA is used
2. Provides details regarding the QDIA selected
3. Outlines your right to direct the investment of your plan dollars to other investments available in the plan or to elect not to have contributions withheld from your pay, if applicable
4. Explains where additional information can be obtained regarding those additional investment alternatives

Keep this disclosure with your Summary Plan Description and other retirement plan documents.

When The Default Investment Alternative Will Be Used:

This is a participant-directed plan, giving you the right to direct the investment of assets in your plan account among the designated investment alternatives available in the plan. In the absence of an investment election, your future contributions will be invested in the plan's QDIA under any of the following circumstances:

- You have made a salary reduction election without an investment election.
- You have made investment elections that do not equal 100% or you have elected an investment that is no longer available in the plan.

If assets in your plan account are invested in the plan’s QDIA, you can direct the investment of those assets to any other investment alternative under the plan. Please note, ongoing investment and account fees may apply. Please see “Investment Elections” later in this notice for more information on making investment elections.

Sharp HealthCare has Chosen a Target-Date Asset Allocation Portfolio, Based on Date of Retirement, as the Plan’s QDIA:

The plan’s QDIA is the appropriate target-date asset allocation portfolio. Multnomah Group acts as the Registered Investment Advisor (RIA) for these portfolios. Each portfolio contains a combination of bond-based and stock-based funds and targets a period that contains the year in which you attain the normal retirement age chosen by Sharp. Each portfolio seeks the highest risk-adjusted total return with a shift to an emphasis on income and a secondary emphasis on capital appreciation over time as the portfolio approaches the target maturity date. The portfolio will change over time, becoming more conservative as you approach normal retirement age.

The asset allocation portfolios are made up of the following funds and asset allocation:

			Prior to 2018	2020	2025	2030	2035	2040	2045	2050	2055	2060
		Year of Retirement	Prior to 2018	2018 to 2022	2023 to 2027	2028 to 2032	2033 to 2037	2038 to 2042	2043 to 2047	2048 to 2052	2053 to 2057	2058 & After
Investment Name	**FundID**	**Asset Class**	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**%**
AB Discovery Value I	ABSIX	U.S. Stock	2	2	3	3	4	4	5	5	5	5
American Funds Europacific Growth R6	RERGX	International Stock	4	5	7	7	8	10	10	11	11	11
Cohen & Steers Real Estate Securities I	CSDIX	Specialty	1	2	2	3	4	4	4	5	5	5
Fidelity® 500 Index	FXAIX	U.S. Stock	6	9	11	12	14	16	17	18	18	19
Goldman Sachs Small Cap Gr Insghts Instl	GSIOX	U.S. Stock	1	2	2	3	3	4	4	4	4	4
Invesco Oppenheimer Developing Markets Y	ODVYX	International Stock	1	1	2	2	3	3	4	4	4	4
Lincoln Stable Value Account -F36Z	F36Z	Cash/Stable Value	40	31	20	12	6	2	0	0	0	0
MFS Value R3	MEIHX	U.S. Stock	5	6	7	9	10	11	13	13	13	13
Pioneer Bond Y	PICYX	Bond	30	29	27	25	21	14	9	5	5	5
Pioneer Select Mid Cap Growth Y	GROYX	U.S. Stock	1	2	3	3	3	4	4	4	5	5
Principal High Yield A	CPHYX	Bond	0	0	2	4	5	7	7	7	6	5
Secured Retirement Income℠	LIPG010902	Guaranteed Income	0	0	0	0	0	0	0	0	0	0
T. Rowe Price International Discovery	PRIDX	International Stock	2	3	4	5	5	6	6	7	7	7
T. Rowe Price New America Growth	PRWAX	U.S. Stock	5	6	7	9	10	11	13	13	13	13
Victory Integrity Small-Cap Value Y	VSVIX	U.S. Stock	2	2	3	3	4	4	4	4	4	4
		Weighted Net Fee* percentage as of 06/30/2019	**.34**	**.39**	**.48**	**.55**	**.60**	**.64**	**.67**	**.68**	**.67**	**.67**

*Weighted net fees represent the net expense ratio. The net expense ratio is the total annual operating expense minus any applicable fund company expense waivers or reimbursements.

By investing in a portfolio, you assume the same types of risks, either directly or indirectly, as investing in stock funds and bond funds included in the portfolio. For assets allocated to stocks, the primary risk is that the value of the stock will fluctuate. These fluctuations could cause the value of a portfolio's stock investment and therefore the value of the portfolio held to fluctuate, and you could lose money.

For assets allocated to bonds, the primary risks are interest rate risk and credit risk. Interest rate risk is the risk that the value of the debt obligations held by the portfolio will fluctuate with changes in interest rates. Credit risk is the risk that the issuer of the debt obligation will be unable to make interest or principal payments on time. The value of the debt obligations held by a portfolio will fluctuate with the changes in the credit ratings of the debt obligations held.

Because the portfolio invests in the shares of funds, the portfolio indirectly invests in the same investments as listed for the various underlying funds. For a more detailed description of the various types of instruments in which the underlying funds may invest and their associated risks, please refer to the prospectus for each underlying fund.

Investment Elections

You may direct the investment of future contributions made to your account and of your existing plan account balance as follows:

- You may change investment elections for your future contributions.
- You may change investment elections for any existing account balances invested in the plan's QDIA.

If you default into the plan and subsequently change investment options for future contributions or existing assets, your future contributions and current assets will both be redirected to the new investment options.

To direct the investment of plan account contributions or assets, make investment elections in the following manner:

For new participants: You may complete online enrollment at LincolnFinancial.com

For existing participants: You may make investment elections in either of these ways:

- You may access the Lincoln secure website, 24 hours a day, 7 days a week: LincolnFinancial.com
- You may utilize the Lincoln automated telephone access system toll-free at 800-234-3500.
- Call the Lincoln Customer Contact Center at 800-234-3500, Monday through Friday, between 5:00 a.m. and 5:00 p.m. Pacific Time.

The New York Stock Exchange closes for trading at 1:00 p.m. Pacific Time on most business days. Transactions received before market close will be assigned that day's closing unit price. Transactions received after market close, or on a weekend or holiday, will be assigned the closing unit price for the next business day.

Additional Information

You may view additional information about other investment options available in the plan by logging in to your account at LincolnFinancial.com.

Asset allocation portfolios invest in other investments such as bond- and stock-based funds and are designed for investors who have a specific time horizon and/or risk profile. They offer the option to select from either time-based and/or risk-based portfolios. Asset allocation does not ensure a profit nor protect against loss. Asset allocation portfolios are not mutual funds. When you invest in an asset allocation portfolio, you own the underlying investments in the portfolio.

Affiliates of Lincoln National Corporation include, but are not limited to, The Lincoln National Life Insurance Company, Lincoln Life & Annuity Company of New York, and Lincoln Retirement Services Company, LLC, herein referred to as "Lincoln".

Mutual funds in the *Lincoln Alliance®* program are sold by prospectus. An investor should consider carefully the investment objectives, risks, and charges and expenses of the investment company before investing. The prospectus and, if available, the summary prospectus contain this and other important information and should be read carefully before investing or sending money. Investment values will fluctuate with changes in market conditions so that, upon withdrawal, your investment may be worth more or less than the amount originally invested. Prospectuses for any of the mutual funds in the *Lincoln Alliance®* program are available at 800-234-3500.

The program includes certain services provided by Lincoln Financial Advisors Corp. (LFA), a broker-dealer (member FINRA) and an affiliate of Lincoln Financial Group, 1300 S. Clinton St., Fort Wayne, IN 46802. Unaffiliated broker-dealers also may provide services to customers.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are separately responsible for their own financial and contractual obligations.

PAD-2535539-050919 RBC-0119-LTR016

Sharp Healthcare 403(b) Retirement Plan
Universal Availability Notice

This Annual Notice of Universal Availability describes your right to make Salary Deferrals, the procedures for electing to make Salary Deferral Reduction Contributions and the tax advantages of making contributions to the Plan.

Eligibility to Participate

The Plan is a special type of retirement plan described under Section 403(b) of the Internal Revenue Code. A "403(b) Plan" is subject to the universal availability requirement which requires that all employees (with certain exceptions) are eligible to make voluntary contributions to the Plan. These contributions are called Salary Deferrals. To make Salary Deferral and investment elections, you can log into your account at LincolnFinancial.com or call the Lincoln Customer Contact Center at 800-234-3500, Monday through Friday between 5:00 a.m. and 5:00 p.m. Pacific Time.

Salary Deferral Limits

You may make Salary Deferrals up to $19,500 in 2020 and $26,000 if age 50 or older in 2020 (unless otherwise limited under the Plan). This annual Salary Deferral limit is subject to change each year. In addition, this limit may be increased if you are eligible to make "catch-up" contributions under the Plan. Please see the Summary Plan Description or other Plan information materials or contact your Plan Administrator for more information concerning the availability of catch-up contributions under the Plan.

Tax Advantages

If you elect to make Salary Deferrals to the Plan, you may make these contributions on a pre-tax basis, or if available under the Plan, on an after-tax basis (also referred to as Roth contributions).

- **Pre-tax Contributions:**

  If you elect to make Salary Deferrals on a pre-tax basis, the amounts deferred (and any earnings on those amounts) generally will not be subject to income taxes until the amounts are distributed from the Plan. Upon distribution, such amounts are taxed as ordinary income.

- **Roth Contributions:**

  You may also elect to make Salary Deferrals on an after-tax basis (i.e., such contributions are subject to income tax at the time contributed to the Plan) as Roth contributions. Such contributions (and earnings) will not be subject to income taxes when distributed from the Plan, if certain conditions are satisfied. Generally, the conditions are that at least five (5) years have passed since you began to make Roth contributions and the distribution is a "qualified distribution". For this purpose, a qualified distribution is a distribution made due to your attainment of age 59½, death or disability.

Notice of Required Contribution Aggregation If You Are "In Control" of Another Business

Under IRS rules, in certain situations, Plan participants must aggregate Salary Deferrals and other amounts contributed to this Plan and other "qualified retirement plans" to determine whether they are within the maximum annual contribution limits under the law. If you meet all of the conditions below, the Internal Revenue Service requires that you contact the Plan Administrator to review whether or not you have exceeded your maximum annual contribution limit.

Failure to provide the Plan Administrator with certain necessary and correct information may result in adverse tax consequences, including your inability to exclude the amounts contributed to this Plan from your taxable income.

You must notify the Plan Administrator if you meet <u>all</u> the following conditions:

- You make contributions to this Plan,
- You are "in control" of another company, and
- The other company maintains a "qualified retirement plan" and makes contributions to your account.

What does it mean to be "in control" of another company?
For you to be considered "in control" of another business, you generally must have a significant ownership interest in the other business. For example, you own 100% of a business that is separate from Sharp HealthCare**.**

Determining whether you are 'in control" of another business is complicated. Your tax advisor can assist you in making this determination. Example: You participate in this Plan and you also own more than 50% of a private business. You are considered to be "in control" of the outside business.

What types of retirement plans fall within the meaning of a "qualified retirement plan?
For this purpose, a "qualified retirement plan" includes certain defined contribution plans that receive special tax benefits under the Internal Revenue Code. These include defined contribution plans that qualify under Code §401(a) (such as a profit sharing, 401(k) or money purchase plan), another 403(b) plan, or a simplified employee pension (SEP) plan.

What is the maximum annual contribution limit?
The maximum annual limit for 2020 generally is $57,000. This annual limit is subject to change each year. However, certain participants (such as those who are at least age 50) may have a higher limitation, if provided for under the Plan.

What amounts are counted for purposes of determining whether you exceed the maximum annual contribution limit?
The following amounts are counted towards the maximum annual contribution limit:

- Salary deferrals
- After-tax contributions
- Certain other amounts allocated to your account (this does not include earnings or rollover amounts)

Additional information – If you would like additional information regarding your right to make Salary Reduction Contributions under the Plan or the requirements for required contribution aggregation if you are "in control" of another business, please contact: Sharp HealthCare, 8695 Spectrum Center Boulevard San Diego, CA 92123-1489, (858) 499-5280.

Sharp HealthCare 403(b) Tax Deferred Retirement Plan Fee Disclosure
Plan Code: SHAR-001
Product name: *Lincoln Alliance*® program

The purpose of this document is to provide you with important information regarding the Sharp HealthCare 403(b) Tax Deferred Retirement Plan and the plan's designated investment alternatives under the *Lincoln Alliance*® program, including fee and expense information, to help you compare investment options in accordance with Department of Labor (DOL) Regulation section 2550.404a-5 ("404(a) participant fee disclosure").

Information presented throughout this entire document is specific to the plan's designated investment alternatives only under the *Lincoln Alliance* program. Please contact your retirement plan administrator for more information.

If you would like additional information regarding your plan's designated investment alternatives, including current fund performance, fund prospectuses, financial statements, assets, and fund unit values, you may visit the specific website addresses shown throughout this document or you may contact your retirement plan administrator at (858) 499–5177 or 8695 Spectrum Center Blvd, San Diego, CA 92123-1489. A free paper copy of the information may be obtained by contacting your retirement plan administrator at (858) 499–5177.

Every effort has been made to ensure that this disclosure is as thorough and accurate as possible to reflect the legal documents, laws, and regulations that govern the operation of the plan. In the event of any conflict, the terms of the plan document, investment arrangements, applicable laws, and regulations will govern.

Document Summary

There are several sections that comprise the 404(a) participant fee disclosure:

- **General Plan Information Section** provides general information regarding plan features and designated investment alternatives, such as an explanation of how to give investment instructions and a description of any brokerage windows, if applicable.

- **Plan Fees and Expenses**
  - **Individual participant fees section** provides an explanation of any fees and expenses that may be charged to or deducted from your retirement account based on the actions taken by you. Examples may include fees and expenses for plan loans and for processing surrender charges, if applicable.

- **Comparative charts** provide a current list of the investment options with performance and fee information for designated investment alternatives in comparative chart format.

General Plan Information

To enroll, change, or direct your designated investment alternatives for the plan:
- Visit www.LincolnFinancial.com, or
- Call the Lincoln Customer Contact Center at 1-800-234-3500

You may change your elections at any time; transfers are effective the same business day provided the markets are open and instructions are received before 1:00 p.m. Pacific Time.

The *Lincoln Alliance* program may restrict the number of transfers you may make among designated investment alternatives within the product in a given time period. An investment option may apply a redemption fee or restrict certain transfers. However, transactions associated with market timing – such as frequent, large, or short-term transfers among investment options – can affect the underlying funds and their investments. Lincoln therefore reviews the number of transfers that a participant makes within given periods of time to determine if any transfer attempts to capitalize upon short-term movements in the equity markets (Market Timing Policy). If so, the participant's transfer activity will be subject to further scrutiny. Potential market timing or frequent trading may result in future trading restrictions, up to and including temporary (or permanent) revocation of telephone exchange privileges.

Voting and tender rights associated with mutual fund shares offered under the plan are exercised by the plan sponsor, if applicable.

The designated investment alternatives available in the *Lincoln Alliance* program are those listed in the comparative charts. Please contact your retirement plan administrator for information regarding designated investment alternatives offered outside of the *Lincoln Alliance* program, if any.

In addition to the designated investment alternatives available under your plan, you may invest in a self-directed brokerage account (SDBA) through TD Ameritrade. Subject to plan restrictions, investing in a SDBA may provide you access to a broad range of more than 13,000 mutual funds, including more than 2,100 no-load, no-transaction-fee mutual funds. Please note that all 403(b) plans may only be invested in mutual funds. It is important to note that a SDBA is not a designated investment alternative under the plan. The plan sponsor is not responsible for and does not review and evaluate each investment option made available through a SDBA to ensure each investment option is a prudent selection to be made available to plan participants. Therefore, before you invest in an investment fund through a SDBA, you should read the fund's prospectus and carefully consider the particular fund's investment objective, risks, charges, and expenses.

Investments made through a SDBA are subject to commission fees, service fees, transfer fees, and may include quarterly account fees. The TD Ameritrade fee schedule provided at the end of this document is delivered to you upon enrolling in the service and is posted on their participant website at www.tdameritraderetirement.com.

Generally, there is no minimum balance needed to open a SDBA, but certain investments may require a minimum initial investment. In addition, investments in a SDBA may be subject to trading restrictions and limitations. For more information, please contact TD Ameritrade at 1-866-766-4015 or visit www.tdameritrade.com.

To establish a SDBA, please call the Lincoln Customer Contact Center at 1-800-234-3500. Once the SDBA is established, you will be able to make investments through the SDBA by contacting TD Ameritrade at 1-866-766-4015 (5:00 a.m. to 4:00 p.m. Pacific Time) or visit www.tdameritrade.com.

Plan Fees and Expenses

This section provides an explanation of fees and expenses for general plan administrative services, if any, that may be charged to or deducted from all individual accounts and are not reflected in the total annual operating expenses of any designated investment alternative. For example, the plan may incur general administrative expenses each year to cover services related to the operation of the plan (e.g., recordkeeping, trustee fees, and investment advisor fees). Where applicable, the plan may charge a portion of these expenses to participant accounts if the expenses are not paid by the plan sponsor or from revenue sharing payments the plan receives from plan investment options. These expenses will appear on your quarterly retirement statement, if applicable.

Additionally, fees and expenses that may be charged to or deducted from the individual account of a specific participant based on the actions taken by that person are described below. The dollar amount of fees and expenses that are actually charged to a participant's account during the preceding quarter will be reflected on the participant's quarterly retirement statement.

Individual Participant Fees
The plan applies fees to individual participant accounts. These charges apply only to participants who use specific features of the plan. Here is a list of individual participant fees associated with this plan:

Individual Fees	Description	Fee/Frequency
Loan Maintenance Fee	Fee may be deducted from a participant's account while the loan is outstanding.	\$6.25 / Monthly \$18.75 / Quarterly
Loan Setup Fee	A fee that may be deducted from the participant's account on the date the loan is processed.	\$75.00 / Set Up
Administration Fee	A fee associated with the Lincoln *Secured Retirement Income*℠ option, if elected, that is deducted from a participant's account. The fee is a percentage of the Income Base in this investment option and charged monthly.	0.9% / Annually
Record Keeping Services	A fee deducted from participant accounts for record keeping services (which include account maintenance, transaction processing, website and call center access).	\$17 / Quarterly

Comparative Chart Summary

Sharp HealthCare 403(b) Tax Deferred Retirement Plan
Product Name: *Lincoln Alliance*® Program

Investment Options, Performance History, and Fees and Expenses as of June 30, 2019

This section is comprised of four charts:

Chart 1
- **Variable return investments chart**
  - Comprised of performance information for plan investment options
  - Illustrates the past performance of the investments with the benchmark field

Chart 2
- **Fixed return investments chart**
  - Displays those funds with a fixed rate of return

Chart 3
- **Fees and expenses chart**
  - Displays the fees and expenses you will pay if you invest in a particular option

Chart 4
- **Annuity options**
  - Focuses on the annuity options available under the plan

Sharp HealthCare 403(b) Tax Deferred Retirement Plan

Investment Options Comparative Chart

Chart 1 - Variable Return Investments

Chart 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. The chart illustrates how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods.

Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information regarding an option's principal risks is available at LincolnFinancial.com.

Chart 1 Variable Return Investments				
Investment Options	**Average Annual Total Return as of June 30, 2019**			
	1-yr.	**5-yr.**	**10-yr.**	**Since inception**
Equity Funds				
AB Discovery Value I (03/05) Russell Mid Cap Value TR USD www.LincolnFinancial.com	-5.50% 3.68%	5.32% 6.72%	13.41% 14.56%	8.21%
American Funds Europacific Growth R6 (05/09) MSCI ACWI Ex USA Growth NR USD www.LincolnFinancial.com	1.91% 2.64%	4.45% 4.00%	8.15% 7.61%	9.05%
American Funds Fundamental Invs R6 (05/09) Russell 1000 TR USD www.LincolnFinancial.com	5.72% 10.02%	10.12% 10.45%	13.82% 14.77%	14.23%
American Funds Invmt Co of Amer R6 (05/09) Russell 1000 TR USD www.LincolnFinancial.com	4.59% 10.02%	8.61% 10.45%	12.80% 14.77%	13.22%
Columbia Mid Cap Index Inst2 (11/12) Russell Mid Cap TR USD www.LincolnFinancial.com	1.17% 7.83%	7.78% 8.63%	14.41% 15.16%	12.61%
Columbia Small Cap Index Inst2 (11/12) Russell 2000 TR USD www.LincolnFinancial.com	-5.03% -3.31%	8.18% 7.06%	14.76% 13.45%	13.36%

Chart 1 Variable Return Investments				
Investment Options	**Average Annual Total Return as of June 30, 2019**			
	1-yr.	**5-yr.**	**10-yr.**	**Since inception**
Fidelity® 500 Index (05/11) Russell 1000 TR USD www.LincolnFinancial.com	10.41% 10.02%	10.70% 10.45%	14.68% 14.77%	12.38%
Goldman Sachs Small Cap Gr Insghts Instl (06/07) Russell 2000 Growth TR USD www.LincolnFinancial.com	-1.46% -0.49%	9.25% 8.63%	15.48% 14.41%	8.33%
Invesco Oppenheimer Developing Markets Y (09/05) MSCI EM NR USD www.LincolnFinancial.com	2.96% 1.21%	2.71% 2.49%	8.24% 5.81%	8.71%
MFS Value R3 (04/05) Russell 1000 Value TR USD www.LincolnFinancial.com	10.55% 8.46%	8.27% 7.46%	12.39% 13.19%	8.07%
Pioneer Select Mid Cap Growth Y (09/05) Russell Mid Cap Growth TR USD www.LincolnFinancial.com	11.15% 13.94%	10.76% 11.10%	15.31% 16.02%	10.79%
T. Rowe Price International Discovery (12/88) MSCI World Ex USA SMID NR USD www.LincolnFinancial.com	-6.72% -4.18%	6.66% 3.25%	11.32% 8.49%	10.03%
T. Rowe Price New America Growth (09/85) Russell 1000 Growth TR USD www.LincolnFinancial.com	11.90% 11.56%	14.34% 13.39%	16.33% 16.28%	11.14%
Victory Integrity Small-Cap Value Y (07/05) Russell 2000 Value TR USD www.LincolnFinancial.com	-6.83% -6.24%	4.42% 5.39%	13.10% 12.40%	7.90%
Bond Funds				
Delaware Limited-Term Diversified Inc A (11/85) BBgBarc US Govt/Credit 1-3 Yr TR USD www.LincolnFinancial.com	2.66% 4.27%	1.43% 1.46%	2.13% 1.59%	4.66%
Neuberger Berman Strategic Income R6 (03/13) BBgBarc US Universal TR USD www.LincolnFinancial.com	6.82% 8.07%	3.16% 3.18%	6.00% 4.37%	3.35%
Pioneer Bond Y (09/01) BBgBarc US Universal TR USD www.LincolnFinancial.com	7.18% 8.07%	3.22% 3.18%	5.39% 4.37%	5.46%
Principal High Yield A (04/98) ICE BofAML US High Yield TR USD www.LincolnFinancial.com	5.28% 7.58%	3.99% 4.70%	8.04% 9.22%	7.18%

Chart 1 Variable Return Investments				
Investment Options	**Average Annual Total Return as of June 30, 2019**			
	1-yr.	**5-yr.**	**10-yr.**	**Since inception**
Other				
Cohen & Steers Real Estate Securities I (07/98) S&P United States REIT TR USD www.LincolnFinancial.com	13.64% 10.80%	10.15% 7.62%	16.97% 15.43%	9.92%
Secured Retirement IncomeSM (06/05) Morningstar Mod Tgt Risk TR USD www.LincolnFinancial.com	1.48% 7.08%	1.18% 5.29%	5.12% 8.61%	---
T. Rowe Price Balanced I (12/15) Morningstar Mod Tgt Risk TR USD www.LincolnFinancial.com	6.79% 7.08%	6.50% 5.29%	10.05% 8.61%	8.97%

Chart 2 – Fixed Return Investments

Chart 2 focuses on the performance of investment options that have a fixed or stated rate of return. The chart displays the credited rate of return of each such option, the term or length of time that you will earn this rate of return, and other information relevant to performance.

Chart 2 Fixed Return Investments			
Investment Options	**Rate Type**	**Return**	**Term**
	Portfolio Rate Guaranteed Minimum Interest Rate	3.00% 3.00%	Quarterly 1 - 99 years
Lincoln reserves the right to adjust the fixed or stated rate of return prospectively during the term of the contract or agreement. The most current rate of return is available at 1-800-234-3500.			

If the Guaranteed Minimum Interest Rate listed above is higher than the Portfolio rate and/or the New money rate, Lincoln's Guaranteed Minimum Interest Rate will be the actual rate credited to your account.

Chart 3 – Fee and Expense Information

Chart 3 displays fee and expense information for the investment options listed in the prior two charts (Chart 1 and Chart 2). It indicates the total annual operating expenses of the options in Chart 1. Total annual operating expenses are expenses that reduce the rate of return of the investment option. Net operating expenses represent the total annual operating expenses after taking into account any additional discount or rebate that the fund offers Plan participants. This chart also shows shareholder-type fees. These fees are in addition to total annual operating expenses.

Chart 3 Fees and Expenses					
Investment Options	**Total annual operating expenses**		**Net operating expenses**		**Shareholder-type fees and transfer-type restrictions**
	As a %	**Per $1000**	**As a %**	**Per $1000**	
Equity Funds					
AB Discovery Value I	0.86%	$8.60	0.86%	$8.60	---
American Funds Europacific Growth R6	0.49%	$4.90	0.49%	$4.90	---
American Funds Fundamental Invs R6	0.30%	$3.00	0.30%	$3.00	---
American Funds Invmt Co of Amer R6	0.29%	$2.90	0.29%	$2.90	---
Columbia Mid Cap Index Inst2	0.27%	$2.70	0.20%	$2.00	---
Columbia Small Cap Index Inst2	0.20%	$2.00	0.20%	$2.00	---
Fidelity® 500 Index	0.02%	$0.15	0.02%	$0.15	---
Goldman Sachs Small Cap Gr Insghts Instl	0.93%	$9.30	0.84%	$8.40	---
Invesco Oppenheimer Developing Markets Y	1.01%	$10.10	1.01%	$10.10	---
MFS Value R3	0.83%	$8.30	0.83%	$8.30	---
Pioneer Select Mid Cap Growth Y	0.78%	$7.80	0.78%	$7.80	---
T. Rowe Price International Discovery	1.20%	$12.00	1.20%	$12.00	---
T. Rowe Price New America Growth	0.79%	$7.90	0.79%	$7.90	---
Victory Integrity Small-Cap Value Y	1.12%	$11.20	1.12%	$11.20	---
Bond Funds					
Delaware Limited-Term Diversified Inc A	0.94%	$9.40	0.54%	$5.40	---
Neuberger Berman Strategic Income R6	0.52%	$5.20	0.50%	$5.00	---
Pioneer Bond Y	0.47%	$4.70	0.47%	$4.70	---
Principal High Yield A	0.92%	$9.20	0.92%	$9.20	1.00% if plan liquidates fund within 12 months of establishment in the plan
Other					
Cohen & Steers Real Estate Securities I	0.87%	$8.70	0.87%	$8.70	---
Secured Retirement Income℠	0.74%	$7.40	0.74%	$7.40	---

Chart 3 Fees and Expenses					
Investment Options	**Total annual operating expenses**		**Net operating expenses**		**Shareholder-type fees and transfer-type restrictions**
	As a %	**Per $1000**	**As a %**	**Per $1000**	
T. Rowe Price Balanced I	0.49%	$4.90	0.46%	$4.60	---
Fixed Return Investments					
Lincoln Stable Value Account -F36Z	0.00%	$0.00	0.00%	$0.00	Transfers from this investment option to competing funds may be restricted. Transfers may be made to noncompeting funds if there are no subsequent transfers to competing funds within 90 days.

Frequent trading policy: Transactions associated with market timing – such as frequent, large, or short-term transfers among investment options – can affect the underlying funds and their investments. Lincoln therefore reviews the number of transfers that a participant makes within given periods of time to determine if any transfer attempts to capitalize upon short-term movements in the equity markets (Market Timing Policy). If so, the participant's transfer activity will be subject to further scrutiny. Potential market timing or frequent trading may result in future trading restrictions, up to and including temporary (or permanent) revocation of telephone exchange privileges.

Total annual operating expense: Expenses that reduce the rate of return of the investment option.

Net Operating Expense: Total annual operating expense net of any applicable fund company waivers/reimbursements.

Chart 4 - Annuity Options

Chart 4 focuses on the annuity options under the plan. Annuities are insurance contracts that enable you to receive a guaranteed stream of payments at regular intervals, usually beginning when you retire and lasting for your entire life. Annuities are issued by insurance companies. Guarantees of an insurance company are subject to its long-term financial strength and claims-paying ability.

Chart 4 Annuity Options	
Name	Lincoln *Secured Retirement Income*℠ option
Objectives / Goals	To provide guaranteed income for life that is protected from market losses.
Pricing Factors	The cost of the benefit includes guaranteed income for life that is protected from market losses.
Restrictions / Fees	▪ There is no age restriction for investing in this product. ▪ If you choose to include the spousal benefit, your payout rate will be reduced by 0.5% ▪ You can choose to “lock-in” and start taking annual guaranteed withdrawals at age 65 with the full annual benefit of 5% of your Income Base or as early as age 55 with a reduced annual benefit of 4% of your Income Base. ▪ These payout rates can change based on the interest rate environment but your payout rate on contributions made before the change will stay in affect. If you have contributions with two different payout rates, you will receive a weighted average combined payout rate. ▪ During your saving years, if you transfer money out of the Lincoln *Secured Retirement Income* option into another investment option, you might not be allowed to transfer large deposits back into Lincoln *Secured Retirement Income* option for 180 calendar days if the transfer activity is excessive or considered to be market timing. You may, however; continue to make payroll contributions into Lincoln *Secured Retirement Income* option during the restriction period. ▪ Excess withdrawals will permanently reduce the Guaranteed Annual Withdrawal amount available to you for subsequent withdrawal periods. If excess withdrawals reduce your Income Base to zero, Lincoln is no longer obligated to make these withdrawals available to you. ▪ Guarantee Fees associated with this investment is provided within the Variable Return Investments table found in this document. The fee for the guarantee is 0.9% of your Income Base. The 0.9% fee is subject to change.

The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. For an example of the long-term effects of fees and expenses on your retirement account, visit the Department of Labor website at https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/our-activities/resource-center/publications/a-look-at-401k-plan-fees.pdf.

Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to consider whether an investment in a particular option, along with your other investments, may help you achieve your financial goals.

Please visit www.LincolnFinancial.com for a glossary of investment terms relevant to the investment options under this plan. This glossary is intended to help you better understand the terms used in this document.

Important Disclosures – Please Read

Mutual funds in the *Lincoln Alliance*® program are sold by prospectus. The program includes certain services provided by Lincoln Financial Advisors Corp. (LFA), a broker-dealer (member FINRA) and an affiliate of Lincoln Financial Group, 1300 S. Clinton St., Fort Wayne, IN 46802. Unaffiliated broker-dealers also may provide services to customers.

The stable value option may be offered as a Fixed Annuity through Lincoln Financial Group affiliates or as a collective trust through independent third-party trust companies.

Morningstar Investment Management LLC’s investment lineups are subject to change. The investment options within a lineup do involve risk and will not always be profitable. Morningstar Investment Management does not guarantee that negative returns can or will be avoided in the lineups. An investment made in an investment option may differ substantially from its historical performance and, as a result, your plan participant may incur a loss. Past performance is no guarantee of future results.

The Morningstar Insight Series is not an investment option. It is a series of fund lineups chosen by Morningstar Investment Management LLC from the universe of investment options available in the *Lincoln Alliance*® program. Morningstar Investment Management LLC is a registered investment advisor and subsidiary of Morningstar, Inc. Neither Morningstar Investment Management nor Morningstar, Inc. is affiliated with the Lincoln Financial Group. The Morningstar name and logo are registered marks of Morningstar, Inc. Morningstar Investment Management LLC, 22 W. Washington Street, Chicago, IL 60602.

TD Ameritrade, Inc., member FINRA/SIPS/NFA. TD Ameritrade is a trademark jointly owned by TD Ameritrade and The Toronto-Dominion Bank. Used with permission. TD Ameritrade is not an affiliate of Lincoln Financial Group.

*Lincoln Secured Retirement Income*SM, a group variable annuity contract, is issued on contract form AN-701 and state variations by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc. Radnor, PA, a broker-dealer. **Contractual obligations are subject to the claims-paying ability of The Lincoln National Life Insurance Company.**

All contract guarantees, including those for guaranteed income, or annuity payout rates, are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker-dealer or insurance agency from which this annuity is purchased, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuer.

There is no additional tax-deferral benefit for an annuity contract purchased in an IRA or other tax-qualified plan.

***Lincoln Secured Retirement Income*SM solutions are offered as a group variable annuity. Amounts contributed to the annuity contract are invested in the LVIP Global Moderate Allocation Managed Risk Fund, a fund of funds with a balanced allocation. The guarantee is provided by a contract between the client/plan sponsor and The Lincoln National Life Insurance Company that provides a plan participant with guaranteed annual retirement income.**

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are separately responsible for their own financial and contractual obligations.

PAD-2456932-031119 EMBC1217-3945

Self-Directed Brokerage Accounts: Commissions and Fees

PO Box 2226 · Omaha, NE 68103-2226
Fax: 800-914-8980

Our low, straightforward trading commissions let you concentrate on executing your investment strategy…not on calculating fees.

COMMISSIONS

Please note: Your Plan may restrict certain investments and not all commissions shown may be applicable.

Equities (Individual Stocks, ADRs, Closed End Funds)

Trade Unlimited Shares (Market or Limit)	Price
Online/Mobile	$6.95
Interactive Voice Response (IVR) Phone System	$6.95
Broker-Assisted	$24.99

Orders executed in multiple lots on the same trading day will be charged a single commission. When an order is partially executed over multiple trading days, the order is subject to a separate commission charge for each trading day.

Exchange Traded Funds (ETFs)

Trade Unlimited Shares (Market or Limit)	Price
Commission-Free ETFs	No Commission & No Short Term Trading Fee
Internet	$6.95
Interactive Voice Response (IVR) Phone System	$6.95
Broker-Assisted	$24.99

Orders executed in multiple lots on the same trading day will be charged a single commission. When an order is partially executed over multiple trading days, the order is subject to a separate commission charge for each trading day. TD Ameritrade receives remuneration from ETFs that participate in commission-free ETF program for shareholder, administrative, and/or other services.

Options

Equity or Index, Market, and Limit Orders	Price
Internet	$6.95 + $0.75 fee per contract
Interactive Voice Response (IVR) Phone System	$6.95 + $0.75 fee per contract
Broker-Assisted	$6.95 + $0.75 fee per contract
Nickel Buyback	$0+ $0.00 fee per contract

Nickel buyback lets you buy back single order short option positions—for both calls and puts—without any commissions or contract fees if the price is a nickel or less. You don't have to wait for expiration.

Please note: Options exercises and assignments will incur a $19.99 commission. Options involve risks and are not suitable for all investors.

Mutual Funds

	Price *(Internet or Broker Assisted)*
No-Transaction-Fee (NTF) Funds	No Commission*
Short Term Redemption Fee	Waived
No-Load Funds	$25
Load Funds	No Commission*
Systematic Mutual Fund Transactions	Waived**

*The Fund Family will charge fees as detailed in the fund prospectuses.

NTF mutual funds are no-load mutual funds for which TD Ameritrade does not charge a transaction fee. TD Ameritrade receives remuneration from mutual fund companies, including those participating in its no-load, NTF program for recordkeeping, shareholder services, and other administrative and distribution services. The amount of TD Ameritrade's remuneration for these services is based in part on the amount of investments in such funds by our clients. NTF mutual funds and other funds offered through TD Ameritrade have other fees and expenses that apply to a continued investment in the fund and are described in the prospectus.

**All Periodic investments, withdrawals, and exchanges are subject to the rules and regulations of the Fund(s). You must be of legal age and have received and read the prospectus for each fund. You will be bound by the terms and conditions of the Fund(s). There is no per-transaction charge. Please ensure there are sufficient funds in your TD Ameritrade account to make the systematic purchase.

Bonds and CDs

Product Type	Price *(Internet or Broker Assisted)*
Treasuries at Auction	$25 flat fee
Bond and CD Trades	On a net yield basis

TD Ameritrade may act as principal on any fixed-income transaction. When acting as principal, we will add a markup to any purchase, and subtract a markdown from every sale. This markup or markdown will be included in the price quoted to you.

All buy orders for bonds are subject to a five-bond ($5,000 par value) minimum. Online CD buy orders are subject to a two-CD ($2,000 par value) minimum.

SERVICE FEES

Quarterly Account Maintenance Fee*	$12.50
Reorganization	
Mandatory	$20
Voluntary Tender Offer	$30
Statements and Trade Confirmations†	
Electronic Statements/Confirmations	No Charge
Paper Statements/Confirmations	No Charge
Replacement Paper Statements/Confirmations	$5
Transfers	
Outbound Full Account Transfer	$50
Outbound Partial Transfer (DTC)	$25
Miscellaneous	
Overnight Delivery	Billed at cost

Exception Fees

Removal of Non Marketable Security	No Charge
Alternative Investment (AI) Custody Fee	$250 per year per position
Alternative Investment (AI) Transaction Fee	$100 per transaction
Restricted Security Processing	$250
Research Fee††	$60 per hour

Regulatory Fees

"Section 31" Fee[1]	$0.000013 per $1.00 of transaction proceeds
Options Regulatory Fee[2]	$0.014 per options contract
Trading Activity Fee[3]	$0.000119 per equity share $0.002 per options contract $0.00075 per bond $0.00000075 x value per asset-backed security trade

All prices shown in U.S. dollars. Commission schedules and fees may vary by program, location, or arrangements and are subject to change upon 30 days' notice to you. All service fees are subject to change. TD Ameritrade reserves the right to pass-through Regulatory Fees, foreign transaction fees, and other fees to the client accounts, which may be assessed under various U.S regulations or imposed by foreign governments.

* Quarterly Account Maintenance fee to be billed on the last Friday of the first three calendar quarters and the last business day of the year for each account open as of the bill date.

† Some accounts, such as options-approved accounts, are required to receive monthly statements either electronically (free) or via U.S. mail.

†† Research is conducted subsequent to specific and usually disputed account activities.

1 Applies to certain sell transactions, assessed at a rate consistent with Section 31 of the Securities Exchange Act of 1934. TD Ameritrade remits these fees to certain self-regulatory organizations and national securities exchanges, which in turn make payment to the SEC. These fees are intended to cover the costs incurred by the government, including the SEC, for supervising and regulating the securities markets and securities professionals. The rate is subject to annual and mid-year adjustments which may not be immediately known to TD Ameritrade; as a result, the fee assessed may differ from or exceed the actual amount of the fee applicable to your transaction. Any excess may be retained by TD Ameritrade. Fees are rounded to the nearest penny.

2 This fee varies by options exchange, where an options trade executes, and whether the broker responsible for the trade is a member of a particular exchange. As a result, TD Ameritrade calculates a blended rate that equals or slightly exceeds the amount it is required to remit to the options exchanges.

3 This fee is assessed at a rate consistent with Section 1 of Schedule A of FINRA's By-Laws for trading activity. Current rates are: $0.000119 per share for each sale of a covered equity security, with a maximum charge of $5.95 per trade; $0.002 per contract for each sale of an option; $0.00075 per bond for each sale of a covered TRACE-Eligible Security (other than an Asset-Backed Security) and/or municipal security, with a maximum charge of $0.75 per trade; $0.00000075 times the value, as reported to TRACE, of a sale of an Asset-Backed Security, with a maximum charge of $0.75 per trade. Fees are rounded to the nearest penny.