Retirement

2024

UPMC Savings Plan Urban

Summary Plan Description

UPMC

LIFE CHANGING MEDICINE

This summary plan description (SPD) is provided to you to describe your plan benefits and your rights under the plan. The SPD is based on official plan documents. It is not, nor is it intended to be, the official plan document, or a contract between UPMC and any employee, or a guarantee of employment. Every effort has been made to ensure the accuracy of this information. In the unlikely event that there is a discrepancy between the SPD and the official plan documents, the official plan documents will control. UPMC reserves the right to amend, suspend, or terminate the plan(s) or program(s) at any time. UPMC has the discretionary authority to interpret the terms of the plan(s) summarized in this document and determine your eligibility for benefits under its terms.

In addition, there may be situations where the plan(s) provides different benefits to different employee groups. This SPD provides only those benefits that are applicable to you based on your employee group.

This SPD is available to you on the UPMC Retirement Center website. You can access this through HR Direct or by typing http://digital.alight.com/upmc into your internet browser. You have access and the ability to view this SPD on the website and to print pages of this SPD from the Web site. You also have the right to request and receive, free of charge, a printed copy of the electronically delivered document by calling the UPMC Retirement Center at 1-877-206-8264. If there are any discrepancies between the information on the website and your printed copy, the website version will control.

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UPMC Savings Plan Overview

The UPMC Savings Plan (hereinafter the “Plan”) is a retirement program that provides an easy and effective way to save for retirement. The Plan is made up of two plans, the UPMC 401(a) Retirement Savings Plan and the UPMC 403(b) Retirement Savings Plan. There are many advantages to participating in the Plan. You can:

- Defer federal taxes on your before-tax contributions to the Plan
- Defer taxes on the investment earnings on all plan contributions
- Contribute on an after-tax basis
- Contribute on a Roth basis

You may also be eligible to receive matching contributions from UPMC.

Because the Plan's purpose is to help you save for retirement, you may not be able to take a total distribution from the Plan until you reach a certain age or leave UPMC.

Qualified Plans

To provide tax-deferred savings, the plan must be qualified. That means it must meet certain requirements of the Internal Revenue Code. For example, the plan must:

- Be maintained for the exclusive benefit of plan participants and beneficiaries
- Not discriminate in favor of highly compensated employees
- Meet minimum standards for participation and vesting
- Provide that the plan can't assign your benefits to someone else without your approval, except in limited circumstances, such as a Qualified Domestic Relations Order (QDRO)

Putting Money Into Your Account

If you're eligible to participate in the plan, you can contribute through payroll deductions. You choose how much to contribute and whether to contribute on a before-tax, Roth, or an after-tax basis or a combination of the three.

You may also roll over balances from another eligible retirement plan or individual retirement account (IRA). If you previously contributed to a 403(b) plan sponsored by UPMC or one of its affiliates, you may move these contributions into the Savings Plan by requesting an account transfer (i.e., in-plan transfer).

UPMC also may make contributions to the plan.

Investing the Contributions

You can invest the contributions to your account in one or more of the plan's investment funds. The investment funds offer different levels of risk, which affect the potential return on your investment.

The plan is intended to meet the requirements under Section 404(c) of the Employee Retirement Income Security Act of 1974 (ERISA). This means that the plan offers a range of investment funds and the opportunity to make your own investment decisions. The plan also provides information about your investment funds and the risk/return characteristics of each fund.
As a result, plan fiduciaries generally are not liable for any losses resulting from your investment instructions and decisions.

Taking Money Out of Your Account

While you work for UPMC, you may be able to take money out of the plan through a loan or withdrawal.

- When you take a loan, you borrow money from your account and pay it back to your account, with interest, over a specified period.
- When you take a withdrawal, your account balance is permanently reduced.

When you leave UPMC, you can also withdraw money from the plan. Your account balance will be permanently reduced. Taxes and penalties may apply to withdrawals.

Eligibility to Participate

Who's Eligible

You're eligible to contribute to the UPMC Savings Plan on the first pay date after you become a staff member or a physician of a participating entity or affiliate of UPMC.

To begin contributing, you must enroll in the plan.

You're eligible to begin receiving matching contributions on the January 1 or July 1 after you reach age 21 and complete 1,000 hours of service.

Who's Not Eligible

You're not eligible to participate in the plan if you're:

- A leased staff member (unless you're leased from one participating group to another participating group)
- An independent contractor
- An intern (except for the 403(b) plan)
- Covered by a collective bargaining agreement, unless the agreement expressly provides for participation (except for the 403(b) plan)
- A student performing services described in Internal Revenue Code Section 3121(b) (10)
- Temporary staff members (except for the 403(b) Plan) unless hired prior to January 1, 2002.
- A nonresident alien working outside the United States or working in the United States on a temporary assignment
- A medical resident (other than a resident of UPMC St. Margaret or University of Pittsburgh Medical Center Medical Educational Program) in a graduate medical or education program, Fellow, and other person who is employed while in an educational capacity (except for the 403(b) plan)
- A casual employee of WorkSource (except for the 403(b) plan)
- A "Cotton Club" employee of UPMC Braddock (except for the 403(b) plan)
- An employee who has an employment contract or similar written agreement or statement that expressly excludes you from participating (except for the 403(b) plan)
- An employee who is eligible to defer compensation under another 403(b) or 401(k) plan of UPMC or an affiliate (except for the 401(a) plan)
- Any individual who is not engaged as an employee by a participating entity or affiliate of UPMC

Participating Entities/Affiliates of UPMC

This summary handbook applies to all eligible staff members of the following business units (including subsidiaries that make up those business units, unless such subsidiaries are specifically excluded below). Physicians, members of collective bargaining units, and those with employment contracts should refer to the terms of their contract for information regarding their eligibility for the plan. The ***Who Is Eligible*** section, describes the eligibility requirements. See that section for more details. If you have further questions please contact your Human Resources representative, or the UPMC Retirement Center at 1-877-206-8264.

Allegheny Healthcare Staffing, Inc.
Askesis Development Group
Blair Medical Associates
Center for Emergency Medicine
Children's Hospital of Pittsburgh of UPMC
CMI
Community Care Behavioral Health
Community Provider Services
Fayette Home Care and Hospice
Great Lakes Physician Practice
HCMS
Home Nursing Agency
International and Commercial Services
Jamestown Area Medical Associates, L.L.P.
Lexington Anesthesia Associates
Mainline Medical Associates, Inc.
UPMC Bedford Memorial
UPMC East
UPMC Hamot
Magee-Womens Hospital of UPMC
Mon Yough Community Services
Sugar Creek Station
Susquehanna Valley Surgery Center
University Health Center of Pittsburgh
University of Pittsburgh Physicians
UPMC Altoona
UPMC Altoona Regional Health Services, Inc.
UPMC Cancer Center
UPMC Centers for Rehab Services
UPMC Chautauqua WCA
UPMC Cole
UPMC Community Nursing
UPMC Corporate Services
UPMC Enterprise Portfolio Companies
UPMC Health Plan
UPMC Jameson
UPMC Jefferson Regional Home Health
UPMC Kane
UPMC Mercy

(Participating Entities/Affiliates Continued)

UPMC Northwest
UPMC Pinnacle
UPMC Presbyterian
UPMC Shadyside
UPMC Somerset
UPMC Susquehanna
UPMC Western Maryland
VNA of Venango County
WCA Services Corporation
Western Psychiatric Institute & Clinic

What Service Means

Service means the number of hours paid, or in some cases, the length of time you work for UPMC, including service with prior employers which were acquired by UPMC. Your service determines when your matching contributions and earnings are vested. If you've met match eligibility requirements, your service also determines when you can receive matching contributions.

You can earn these types of service under the UPMC Savings Plan.

- Vesting service, which determines whether you can receive your entire Savings Plan benefit.

Your vesting service is measured by the hours of service for which you are paid.

Breaks in Service

Definition of a Break in Service

A one-year break in service occurs when you have 500 hours of service or less in a calendar year.

These leaves of absence may cause a break in service:

- Family and medical leave
- Maternity or paternity leave
- Military leave

When You Return From a Break in Service

For purposes of determining the vesting of your future benefits (benefits you earn upon returning from a break in service), if you were vested in any portion of your account before the break in service, then your prior vesting service is restored regardless of when you return from a break in service. If you weren't vested in any portion of your account, your prior vesting service:

- Is restored if you have fewer than 5 consecutive one-year breaks in service
- Is not restored if you have 5 or more consecutive one-year breaks in service

For purposes of determining the vesting of any previously accrued benefits (benefits you earn before a break in service), your vesting service earned after your break in service will not be taken into account if you have 5 or more consecutive one-year breaks in service.

Family and Medical Leave

Definition of a Family and Medical Leave

If you're eligible, the Family and Medical Leave Act (FMLA) allows you to take up to 12 weeks of unpaid leave per year for these reasons:

- Caring for an immediate family member's serious health condition
- Caring for your own serious health condition
- Placement of a child with you for foster care or adoption
- Birth of and care for your newborn child

Note: For leaves of absence related to birth or adoption, rules for a maternity or paternity leave may apply.

If the FMLA Leave Is Unpaid

An unpaid FMLA leave is not considered either service **or** a break in service for vesting purposes.

If the FMLA Leave Is Paid

You can receive credit for up to 501 hours of paid FMLA leave time for the purpose of preventing you from incurring a break in service.

Maternity or Paternity Leave

For the purpose of preventing you from incurring a break in service, you can receive credit for up to 501 hours of service if you're absent from work for one of these reasons:

- Pregnancy
- Birth of your child
- Placement of a child with you for adoption
- Caring for a child immediately after birth or adoption

Hours are credited to the calendar year when your leave began, if you need additional hours to prevent a break in service for that year or the one immediately following.

Military Leave

Under the Uniformed Services Employment and Reemployment Rights Act (USERRA), if you return to work within the legally required time period after a military leave:

- The military leave isn't treated as a break in service.
- You may be credited with the same amount of vesting service you would have received if you hadn't left. UPMC treats a military leave as service for vesting purposes.
- You're allowed to make up contributions that you could have made if you weren't on a military leave. If you're eligible, UPMC will add matching contributions to your make-up contributions. Contact the UPMC Retirement Center if you want to make up contributions after your leave.

Enrolling in the Plan

You choose whether to contribute to the UPMC Savings Plan. You can enroll when you're first eligible or at any later date. You can enroll on the UPMC Retirement Center website. You can access this through HR Direct or by typing http://digital.alight.com/upmc into your internet browser. Once you enroll, your contributions generally start by your second paycheck following your enrollment.

Naming a Beneficiary

As a UPMC Savings Plan participant, you can name a beneficiary to receive the value of your vested account if you die while you have an account balance in the plan.

How to Name a Beneficiary

You can name or change your beneficiary on the UPMC Retirement Center website or by calling the UPMC Retirement Center. If you're married and you choose your spouse as your beneficiary, no further action is needed. If you want to name someone other than, or in addition to, your spouse as your primary beneficiary, you must have written spousal consent. You'll also be required to sign and return the beneficiary authorization sent to you.

For the purposes of the Plan, "Spouse" means the person to whom you are legally married. If the state where you were married recognizes the marriage, then so does this Plan.

If you're single, you will be required to sign and return the beneficiary authorization sent to you to complete the process of naming a beneficiary.

If You Don't Name a Beneficiary

If you haven't named a beneficiary or your named beneficiary dies before you, your account is paid in this order when you die:

- Your spouse or domestic partner
- Your children, including natural or adopted children (in equal shares)
- Your parents (in equal shares)
- Your siblings (in equal shares)
- Your estate (if none of the above relatives survive you)

If you are in the process of and/or become divorced or if you owe child support, a Qualified Domestic Relations Order (QDRO) may assign your benefits to someone else.

Spousal Consent

If you're married and want to name someone other than, or in addition to, your spouse as your primary beneficiary, you must get your Spouse's written consent. Your spouse must consent to your beneficiary choice in writing by signing the beneficiary form in the presence of a notary public.

Vesting

Vesting refers to the percentage of matching contributions and investment earnings you own.

You're always 100% vested in:

- Your before-tax contributions
- Your Roth contributions
- Your after-tax contributions
- Your rollover contributions
- Your Roth rollover contributions
- The investment earnings on these contributions

You become vested in matching contributions and their earnings over time, based on your years of service:

Years of Service*	Vested Percentage
Less than Three	0%
Three or more	100%

*1,000 paid hours each year.

If you leave UPMC:

- You receive only the vested portion of your matching contributions account.
- Any nonvested portion of your matching contributions account is forfeited.

You also become 100% vested in matching contributions and their earnings when:

- You reach normal retirement age (while actively employed or on an approved leave of absence).
- You become totally and permanently disabled (while actively employed or on an approved leave of absence).
- You die (while actively employed or on an approved leave of absence).
- The plan is partially or fully terminated.

In specific or special circumstances (such as divestiture), the plan sponsor may take specific action to vest certain employee groups. If this applies to you, you will receive notice.

Forfeitures and Restorals

Forfeiting Nonvested Amounts

If you leave UPMC before you become fully vested, you forfeit the portion of your matching contributions account that is not vested.

This forfeiture occurs at the **earlier** of:

- The date six weeks following your severance from employment
- The date you receive a distribution of your vested benefit

Restoring Forfeited Amounts

If you forfeit a nonvested amount and return to work before you have five consecutive one-year breaks in service, the forfeited amount is automatically restored to your account.

Normal Retirement Age

You reach normal retirement age on the date you reach age 65.

Total and Permanent Disability

Under the plan, disability is an injury or disease that's expected to be permanent and continuous and which prevents you from engaging in any occupation or employment for wage or profit.

The condition must also:

- Continue for at least six months
- Result in you receiving Social Security disability benefits

For the plan's purposes, disability does **not** include any condition that results from:

- Substance abuse
- Criminal activity
- Self-inflicted injury or illness
- Military service for which a government pension is payable

You must provide satisfactory evidence to the plan administrator that your condition meets these requirements to qualify as a disability under the plan.

Overview of Contributions

You can contribute to the UPMC Savings Plan on a before-tax, Roth or an after-tax basis or a combination of the three. Once you choose how much to contribute, your contributions are automatically deducted from your pay.

You can roll over money from a previous employer's eligible retirement plan or an individual retirement account (IRA). You can also roll over money from the UPMC Basic Retirement Plan (Cash Balance Plan).

In addition, if you previously contributed to one of the UPMC Savings Plan programs or affiliated employer plans, you may move those contributions into this new Savings Plan by requesting an in-plan transfer.

If you've met match eligibility requirements, UPMC may provide matching contributions to help you save even more.

Your Contributions

How Much You Can Contribute

You can contribute 100% of your eligible pay on a before-tax, Roth and/or an after-tax basis up to annual Internal Revenue Code (IRC) limits (note that certain participants’ after-tax contributions may be limited depending on income level).

Changing Your Contribution Rate

You can change your contribution rate at any time on the UPMC Retirement Center website. You can access this through HR Direct or by typing http://digital.alight.com/upmc into your internet browser.

Your contribution rate change takes effect as soon as administratively possible. If you stop contributing, you can start again at any time.

Eligible Pay

What's Included in Eligible Pay

For the purposes of calculating the amount you can contribute to the UPMC Savings Plan, your eligible pay includes:

- W-2 pay earned while an active employee
- Final compensation paid after your severance from employment (such as pay for unused paid time off)
- Pre-tax elective contributions to flexible benefit plans, the Savings Plan, and for qualified transportation fringe benefits

The Internal Revenue Code (IRC) limits the amount of eligible pay used to determine your contributions. The limit for 2024 is $345,000 and may be adjusted each year.

What's Not Included in Eligible Pay

Eligible pay does **not** include:

- Any taxable fringe benefits
- Severance pay
- Long-term bonus or incentive payments
- Short-term and long-term disability payments
- Salary continuation pay
- Paid Parental Leave pay
- Tuition assistance
- Income for loan forgiveness
- Special non-recurring payments
- Payment for unused PTO bought as part of the PTO Buy program

Before-Tax Contributions

If you choose to contribute to the plan on a before-tax basis, UPMC deducts contributions from your pay before federal taxes are withheld. This reduces your federally taxable income for the year.

You don't pay federal taxes on your before-tax contributions until you withdraw those contributions from your account. If you live in Pennsylvania, you pay state taxes on your contributions at the time they are deferred and not at the time they are withdrawn. You are also taxed on investment earnings when you take a withdrawal.

Your before-tax contributions are invested according to your investment choices.

Roth Contributions

If you choose to contribute to the plan on a Roth basis, UPMC deducts contributions from your pay after taxes have been calculated. Therefore, Roth contributions don’t reduce your taxable income.

Because you’ve already been taxed on your Roth contributions, you won’t be taxed again when you withdraw those contributions from the plan. In addition, if the withdrawal is a qualified Roth distribution, you will not be taxed on the investment earnings on Roth contributions. A qualified Roth distribution is a distribution that occurs after your Roth contributions have been in the Savings Plan for at least 5 years and after you have reached the age of 59½ (or upon your death or disability).

Your Roth contributions are invested according to your investment choices.

The IRC limits the total combined amount of before-tax and Roth contributions to $23,000 for 2024 ($30,500 if you are age 50 or over). Any amount that you elect to contribute as before-tax and/or Roth contributions that exceeds this limit, will continue to be deducted from your pay on an after-tax basis, for the remainder of the year.

After-Tax Contributions

If you choose to contribute to the plan on an after-tax basis, UPMC deducts contributions from your pay after taxes have been calculated. Therefore, after-tax contributions don't reduce your taxable income.

Because you've already been taxed on your after-tax contributions, you won't be taxed again when you withdraw those contributions from the plan. However, you will be taxed on the investment earnings when you take a withdrawal.

Your after-tax contributions are automatically invested according to your investment choices. If you are a highly compensated employee, as defined by the IRC, you are limited to contributing 6% of your pay on an after-tax basis.

Catch-Up Contributions

You are eligible to make catch-up contributions in the year in which you turn age 50, and each year after. Eligible catch-up contributions to the UPMC Savings Plan are limited to $7,500 for 2024.

Catch-up contributions are before-tax and/or Roth contributions that are made in excess of any of the following limits:

- Annual IRC limit on before-tax and Roth contributions
- Annual IRC limit on total contributions

Any amount that you elect to contribute as before-tax and/or Roth contributions that exceeds the IRC limit on before-tax and Roth contributions ($23,000 for 2024) will continue to be deducted from your pay on a before-tax and/or Roth basis, up to the catch-up contribution limit ($7,500 for 2024), if you are eligible for catch-up contributions. If you are eligible for catch-up contributions, any amount that you elect to contribute as before-tax and/or Roth contributions that exceeds both the before-tax and Roth contribution limit and the catch-up contribution limit ($30,500 for 2024), will continue to be deducted from your pay on an after-tax basis, for the remainder of the year.

Matching Contributions

If you're eligible, UPMC may add to your account through matching contributions. When you leave UPMC, you receive only the vested portion of your matching contributions account.

When you make before-tax, Roth, or after-tax contributions to the UPMC Savings Plan, you may be eligible to receive a company match. You only receive a company match for the pay periods in which you are actively contributing to the UPMC Savings Plan.

UPMC matches 50% of the first 6% of eligible pay for the pay period that you contribute to your account. If you're age 50 or older, the plan also matches your catch-up contributions at the same rate. Matching contributions are automatically invested according to your investment choices.

Rollover Contributions

Definition of Rollover Contributions

Before joining UPMC, you may have participated in another retirement plan. If you received a distribution from that plan, it may be eligible for rollover into the UPMC Savings Plan, even if you rolled it over into an individual retirement account (IRA) first.

You may also roll over money from the UPMC Basic Retirement Plan, as well as money you contributed to a traditional tax-deductible IRA.

If you previously contributed to one or more 403(b) plans sponsored by a UPMC entity, you may move those contributions into the Savings Plan by requesting an account transfer (i.e., in-plan transfer).

Rollovers From an Eligible Retirement Plan or IRA

The primary advantage of rolling over an eligible distribution from a prior employer's eligible retirement plan is that you can continue to defer paying taxes on the money.

The advantages of rolling your money into the UPMC Savings Plan instead of an IRA are:

- You can keep all of your retirement funds in one place.
- You can take advantage of the UPMC Savings Plan's additional features, such as loans.

Timing

A rollover must be deposited with the UPMC Savings Plan within 60 days of the date you receive the distribution. If the rollover is not deposited within 60 days, the plan cannot accept it and the distribution may become taxable to you. The 60-day requirement doesn't apply to direct rollovers, which are made payable directly to the UPMC Savings Plan from the distributing retirement plan or IRA.

Eligible Rollover Contributions

From Eligible Retirement Plans

You can roll over an eligible distribution from another eligible retirement plan to the UPMC Savings Plan.

An eligible rollover distribution is any distribution **except**:

- Substantially equal periodic payments made at least annually over:
  - Your life expectancy
  - The joint life expectancy of you and your beneficiary
  - A specified period of 10 or more years
- Required minimum distribution amounts
- Payments made to a nonspouse alternate payee under a Qualified Domestic Relations Order (QDRO)
- Hardship withdrawals

- Loans treated as deemed distributions due to default
- Payments made to correct contributions in excess of the plan's contribution limits

Note: Nontaxable amounts can be rolled into the UPMC Savings Plan from another eligible retirement plan if they're directly rolled over from that plan.

From Individual Retirement Accounts (IRAs)

You can roll money into the UPMC Savings Plan from:

- A traditional IRA to which you've been making tax-deductible contributions
- An IRA you set up to accept a rollover from a previous employer's eligible retirement plan for pre-tax contributions

An eligible rollover from an IRA is any IRA contribution except the following:

- Personal after-tax contributions made to an IRA
- After-tax contributions rolled into an IRA from a previous employer's eligible retirement plan

Sources of Eligible Rollover Contributions

Eligible Retirement Plans

You can roll money into the UPMC Savings Plan if it's an eligible distribution from a former employer's eligible retirement plan. These types of plans may be considered eligible retirement plans:

- Any plan qualified under Internal Revenue Code Section 401(a), including:
  - 401(k) plan
  - Roth 401(k)
  - Roth 403(b)
  - Defined benefit (pension) plan
  - Profit sharing or thrift plan
  - Employee stock ownership plan (ESOP)
  - Stock bonus plan
- 403(b) tax-sheltered annuity plan
- Certain governmental Section 457 plans
- SIMPLE 401(k) plan
- 403(a) annuity plan

These types of plans are **not** eligible retirement plans for rollover contribution purposes:

- Excess Plan
- Nonqualified plan
- Stock option plan

Individual Retirement Accounts (IRAs)

You can roll over taxable distributions from these types of IRAs:

- Traditional IRA
- IRA set up to receive a distribution from a previous employer's eligible retirement plan
- SIMPLE IRA in which you participated for two or more years
- SEP IRA
- SARSEP IRA

You **can NOT** roll over a distribution from these types of IRAs:

- Roth IRA
- SIMPLE IRA in which you participated for less than two years
- Education IRA

Types of Rollover Contributions

Direct Rollover

A direct rollover occurs when the distributing eligible retirement plan or individual retirement account (IRA) makes the eligible distribution payable to the UPMC Savings Plan.

The portion of the eligible distribution that's directly rolled over isn't subject to the mandatory 20% federal tax withholding and the 10% penalty tax on early distributions.

60-Day Rollover

When an eligible distribution is made payable to you, you can roll over all or part of it to the UPMC Savings Plan. You must deposit the rollover into the plan within 60 days after you receive it.

The money that isn't directly rolled over may be subject to tax withholding and penalties. If you want to roll over the entire eligible distribution amount, you must use your own money to replace the money that's withheld for taxes. If you roll over the entire eligible distribution amount, you must make up the additional 20% withholding to avoid taxes. You'll receive a credit for the taxes withheld when you file your taxes. Then, depending on your tax circumstances, you may get a refund.

You must be actively employed by UPMC for the eligible distribution to be accepted by the UPMC Savings Plan either as a Direct or 60-Day Rollover.

How to Make a Rollover Contribution

Requesting a Rollover Into the Plan

To roll money into the plan, request a Rollover Contribution Form on the UPMC Retirement Center website. You can access this through HR Direct or by typing http://digital.alight.com/upmc into your internet browser. You invest the rollover money according to your investment choices you make on the form. If you do not make investment choices for your rollover, your rollover amount is automatically deposited in the age-appropriate

Vanguard Target Retirement Fund, which is the Plan’s current default investment fund. Your rollover contribution is credited to a separate rollover account in the UPMC Savings Plan.

After you complete and sign the form, return it to the UPMC Retirement Center with:

- Proof that the money you're rolling over was originally distributed from an eligible retirement plan
- Proof that the rollover amount is an eligible rollover contribution and the amount of any after-tax contributions included in the rollover
- Proof that the rollover amount doesn't include personal after-tax contributions, if the rollover is from an individual retirement account (IRA)
- The rollover check

The Plan only accepts cash (e.g., a check) for a rollover contribution.

Proof That the Prior Plan Is an Eligible Retirement Plan

If your prior plan administrator is unable to complete the Plan Administrator Information section on the Rollover Contribution Form, include **one** of these with your Rollover Contribution Form:

- A page from the prior plan's current summary plan description stating that the plan is qualified under Internal Revenue Code (IRC) Section 401(a) or is an eligible retirement plan
- An Internal Revenue Service (IRS) letter of favorable determination for the prior plan
- A letter from the prior plan's administrator stating that the plan is qualified or satisfies the requirements under IRC Section 401(a) or is an eligible retirement plan
- A letter from the prior plan's administrator stating that the plan is intended to satisfy the requirements of IRC Section 401(a) and the administrator doesn't know of any plan provision or operation that would result in the plan's disqualification
- A letter from the prior plan's administrator stating that the plan has obtained an IRS letter of favorable determination

Proof That the Amount Is an Eligible Rollover Contribution

Include the distribution statement or IRS Form 1099-R you received for the payment, showing the type of distribution, the amount, and the taxable portion of the distribution.

IRA Documentation

If you're rolling over money from an individual retirement account (IRA) that originated from an eligible employer plan, you must submit proof of the amount that's eligible for rollover and acceptable proof of the prior plan's qualified status.

You must also submit **one** of the following:

- An IRA Representative Information Form (available at the end of the Rollover Contribution Form)
- A statement of history from the IRA provider showing all contributions made to the IRA

- A letter from the IRA provider stating that the distribution contained no nontaxable amounts
- A letter from you stating that the distribution contained no nontaxable amounts

If the rollover amount includes deductible contributions made to an IRA and associated earnings, submit a statement, either from you or the IRA provider, that the distribution contained no nontaxable amounts.

The Rollover Check

Send the rollover contribution check to the UPMC Retirement Center along with the Rollover Contribution Form and supporting documents. **The check should be made payable to the UPMC Savings Plan for the Benefit of [Your Name].**

If the distributing retirement plan or IRA makes the check payable to you, endorse the check and, under your signature, make it payable to the UPMC Savings Plan.

The rollover must be deposited with the UPMC Savings Plan no later than 60 days after you receive the payment.

Timing of Review Process

A rollover form is reviewed within 2 business days of when it's received. If your form is completed correctly and you provide the required documentation described above, your rollover will be posted to your account on the UPMC Retirement Center website by the end of the day on the Friday of the week in which your form was approved.

If there is a problem with the submitted materials or the amount isn't eligible for rollover, you'll be sent a notification within two business days of when your form is received. Your rollover will not be posted to your account until all submitted materials are complete and accurate.

If appropriate documentation is not received within 30 days of receipt of your rollover check, the check will be returned to you.

Contribution Limits

Background on Limits

The Internal Revenue Code (IRC) sets limits on the contributions to your account. Whether you reach these limits depends on your pay, your contributions, and the matching contributions you receive for the year.

Before-Tax and Roth Contribution Limit

The IRC limits your combined before-tax and Roth contributions for 2024 to $23,000. This amount is indexed and may change each year.

Catch-Up Contributions

If you'll be age 50 or older in this calendar year, you're also eligible to make catch-up contributions of up to $7,500 for 2024.

These limits apply not only to the UPMC Savings Plan but to all 401(k) or 403(b) plans you participate in during the calendar year.

Future annual 401(k) or 403(b) catch-up contribution limits will be adjusted for inflation in $500 increments.

Contact the UPMC Retirement Center if you have questions about how your participation in other plans affects your UPMC Savings Plan contributions.

Any amount that you elect to contribute as before-tax and/or Roth contributions that exceeds $23,000 ($30,500 if you are age 50 or older), will continue to be deducted from your pay on an after-tax basis, for the remainder of the year.

Eligible Pay Limit

The IRC also limits the amount of your eligible pay that's used to determine your contributions for a plan year. The limit for 2024 is $345,000. This amount is indexed and may change each year.

Total Annual Contribution Limits

Generally, the total contributions to your account for a calendar year are limited to the **lesser** of:

- $69,000 for 2024 (This amount is indexed and may change each year.)
- 100% of your pay

Contributions include:

- Before-tax contributions
- Roth contributions
- After-tax contributions
- Matching contributions

Catch-up contributions don't count toward this limit.

These limits apply to all defined contribution--or savings--plans in which you may have participated at a UPMC location (as defined by the IRC) in a calendar year.

Limits for Highly Compensated Employees

Defined contribution--or savings--plans must be tested each plan year to ensure that contributions to the plan don't discriminate in favor of highly compensated employees (HCEs).

If you're an HCE, as defined by the IRC, the results of these tests could affect the amount of your before-tax, Roth and after-tax contributions and/or UPMC matching contributions. You'll be notified if any contributions to your account must be restricted during the year or refunded after the plan year ends.

If your before-tax or Roth contributions are restricted and you'll be age 50 or older in this calendar year, you're eligible to make catch-up contributions of up to $7,500 for 2024. Any amounts in excess of the annual before-tax and Roth contribution limit (402(g)) but not exceeding the catch-up contribution limit will automatically be considered as catch-up contributions if you're eligible.

In-Plan Transfers

If you previously contributed to a 403(b) plan sponsored by UPMC or one of its affiliates, you may move those contributions into the UPMC Savings Plan by requesting an in-plan transfer. You can make an in-plan transfer at any time, as long as you're eligible to make before-tax and Roth contributions to the Savings Plan. If you're not sure if your account qualifies as an in-plan transfer, contact a UPMC Retirement Center Representative.

In-plan transfers must be made in cash and can be split among the investment funds in 1% increments. You can enter your in-plan transfer investment election on the UPMC Retirement Center website or by calling the UPMC Retirement Line. If you don't make an investment election for your in-plan transfer amount, your in-plan transfer amount is deposited according to your investment elections currently on file for other money in your account. If you don't have an investment election on file, your in-plan transfer amount is automatically deposited in the age-appropriate Vanguard Target Retirement Fund which is the Plan's current default investment fund.

To make an in-plan transfer, request an In-Plan Transfer Application Form on the UPMC Retirement Center website or call the UPMC Retirement Center. Please reference the following chart for contact information and documentation needed for specific record keepers.

Record Keeper	Contact Number	Processing and Documentation Required
TIAA-CREF	1-800-842-2776	Request a Direct Transfer Authorization Form from TIAA-CREF. Return check and data summary statement.
Vanguard	1-800-523-1188	Forward In-Plan Transfer Form to Vanguard. Return form, check, and distribution statement.
Fidelity	1-800-343-0860	Forward In-Plan Transfer Form to Fidelity. Return form, check, and distribution statement.

Other affiliate 403(b) Plans may be eligible to transfer into the UPMC Plan. Contact the Retirement Center to request an In-Plan Transfer Application. You will need to also contact your current plan recordkeeper to determine their transfer procedures.

Your Investment Funds as of January 1, 2024

The UPMC Savings Plan offers a range of investment funds for your contributions:

- Vanguard Target Retirement Income Fund
- Vanguard Target Retirement 2020 Fund
- Vanguard Target Retirement 2025 Fund
- Vanguard Target Retirement 2030 Fund
- Vanguard Target Retirement 2035 Fund
- Vanguard Target Retirement 2040 Fund
- Vanguard Target Retirement 2045 Fund
- Vanguard Target Retirement 2050 Fund
- Vanguard Target Retirement 2055 Fund
- Vanguard Target Retirement 2060 Fund
- Vanguard Target Retirement 2065 Fund
- Vanguard Target Retirement 2070 Fund
- Vanguard Wellington Fund
- Vanguard Federal Money Market Fund
- Vanguard Short-Term U.S. Treasury Fund
- Vanguard Total Bond Market Index Institutional Fund
- Metropolitan West Total Bond Fund
- Vanguard Institutional Index Fund
- JP Morgan Large Cap Growth Fund
- Vanguard Windsor II Fund
- Allspring Discovery
- Vanguard Total International Stock Index
- Hartford Schroders International Stock Fund
- Vanguard Extended Market Index Fund
- Victory Sycamore Established Value R6 Fund
- Victory Sycamore Small Company Opp I

Information about the funds and their past performance is available on the UPMC Retirement Center website. The site also provides a variety of resources to help you monitor your investments.

The investment options available under the UPMC Savings Plan are reviewed on a periodic basis and may change from time to time, as determined by the UPMC Retirement Committee. You will be notified of any investment option changes prior to their occurrence.

The UPMC Savings Plan is intended to be an ERISA Section 404(c) plan. This simply means you "exercise control" over some or all of the investments in your plan account. The fiduciaries of the plan may be relieved of liability or responsibility for any losses that you may experience as a direct result of your investment decisions.

Risk Versus Return

The different investment funds provide a wide range of risk and potential return.

When making your investment choices, you may want to consider your financial situation and how long you intend to have the money invested.

Making Your Investment Choices

At Enrollment

When you enroll in the plan, choose the percentage or flat dollar amount of your contributions to invest in each fund. Investments must be in 1% or $1 increments. If you do not make investment elections, your contributions are automatically deposited into the age-appropriate Vanguard Target Retirement Fund which is the Plan's current default investment fund.

For Future Contributions

You can change your investment choices at any time. Any change you make takes effect the next business day and affects future contributions only. Changing your investment choices does **not** affect the investment of your existing account balance.

Financial Advisory Administration Services

Online Advice: You have unlimited access to retirement planning tools, including investment advice, savings calculators, and suggestions tailored to your individual savings goals. This service is available by linking to http://digital.alight.com/upmc/.

Professional Management: You can choose to receive savings and advice services through the Alight Professional Management program. The program's financial experts select and monitor a diversified retirement account and provide you with innovative planning and objective investment services based on your individual needs. Alight Financial Advisors will manage your account and make changes as needed to help you achieve your retirement goals. You can enroll in this service by linking to http://digital.alight.com/upmc/.

A fee will be deducted from your account each month only if you choose to use the Alight Professional Management program based on your account balances as follows:

Professional Management Fee Schedule		
Amount of Account Balance	**Monthly**	**Annually**
$100,000 or Less	0.0500%	0.60%
Next $150,000	0.0375%	0.45%
Over $250,000	0.0250%	0.30%

You may choose to stop Professional Management at any time by calling Alight Investment Services Center and speaking with an Alight Financial Advisor.

Income+: An optional feature of Professional Management, Income+ is a comprehensive retirement income solution designed specifically for Defined Contribution Plans to provide steady monthly payouts that can last for life.* When an Income+ member is ready to start taking income, their portfolio is specifically managed to provide monthly retirement payouts from their Defined Contribution Plans. [These partial distributions from the plan are only available if you are enrolled in Professional Management with Income+.] A Professional Management participant may elect to receive distributions paid as variable installments consistent with the recommendations under such program. This service is available by contacting an Alight Financial Advisor at 1-877-206-8264.

*Requires purchase of an out-of-plan annuity. Issuer minimum purchase requirements may apply.

Transferring Your Existing Balances

Fund Transfers

You can transfer current balances among the investment funds at any time. When you make a fund transfer, you take a percentage or dollar amount out of one investment fund and move it into another investment fund.

A fund transfer affects your existing account balance only. It does **not** affect how your future contributions are invested.

Fund Reallocations

You can reallocate (redistribute) your total account balance among the investment funds. When you make a fund reallocation, you specify the percentage of your total account balance that you want invested in each fund.

A fund reallocation affects your existing account balance only. It does **not** affect how your future contributions are invested.

You may be subject to some restrictions on your transfers and reallocations.

Transfer Restrictions

In some circumstances, you may be subject to restrictions on moving money in and out of certain investment funds. These rules apply to the frequency and timing of transferring money among funds.

As long as you are invested in a fund for the long term, however, you generally won't need to be concerned about these restrictions. Below is a summary of the current transfer restrictions; however, these restrictions may change periodically. You can get up-to-date information about transfer restrictions in the prospectus for each investment fund.

Fund	Restriction
Vanguard Total Bond Market Index, Vanguard Wellington, Vanguard Inst Index, Vanguard Total International Stock Index, Vanguard Extended Market Index, Vanguard Windsor II and JP Morgan Large Cap Growth Fund	When money is moved out, you can't move money back in for 30 days.
The restrictions do not apply to the following transactions: contributions, loan payments, loans, withdrawals, distributions, rollovers.	

Transfer In

If you transfer out of a fund, some investment funds may block you from transferring money back into the fund for a specified period of time. Some funds apply this restriction to a minimum dollar amount, while others block any amount from being transferred back in before the required waiting time.

The restriction doesn't apply to:

- New contributions
- Loan payments
- Loans
- Withdrawals
- Distributions
- Rollovers

Investment Fund Information Available

You can request from the plan administrator the following information about any of the investment funds:

- A description of the annual operating expenses of each investment fund and the total amount of such expenses as a percentage of the investment fund's net asset value (NAV). Examples of these expenses include investment management fees, administrative fees, and transaction costs.
- Copies of any prospectuses, financial statements and reports, and any other materials relating to the investment funds available under the plan, to the extent such information is provided to the plan.
- A list of the assets in the portfolio of each investment fund and the value of each asset (or the proportion of the investment fund which it comprises).
- Information concerning the value of shares or units in the available investment funds, as well as the past and current investment performance (net of expenses).
- Information concerning the value of shares or units in the investment funds held in the account of the participant.

If a participant elects to participate in certain elective investment advisory service programs that are made available under the plan, then additional administrative fees may be charged against the participant’s account.

Information about whether there are investment advisory service program fees related to an elective investment advisory service program will be included with the information provided at the time that a participant can elect to participate in the particular program.

Investment Fees and Expenses

The investment results of each investment fund are adjusted to reflect payment of a portion of the Plans' reasonable administrative expenses, if any. The Plans' share of any administrative expenses is allocated proportionately among all investment funds and reduces the net asset value (NAV) of each investment fund. Administrative fees are commonly expressed as a stated basis percent of asset values. Investment fees and expense information is available on the UPMC Retirement Center website, under the Savings and Retirement Plan Information, on the Update to Participants link.

Monitoring Your Account

How Your Contributions Are Organized

Contributions to your account are divided into these accounts:

- Before-tax contributions
- Roth contributions
- After-tax contributions
- Matching contributions
- Before-tax Rollover contributions
- Roth Rollover contributions
- Qualified Non-elective Contributions

Each account holds contributions and their investment earnings.

How Your Account Value Is Determined

Your account value is updated at the end of each business day to reflect these transactions:

- Your contributions
- Your transfers or reallocations
- Your withdrawals
- Your loans
- Your loan repayments
- Gains or losses related to each investment fund

How Loans Work

Types of Loans

Two types of loans are available:

- General purpose
- Primary residence

You can request either type of loan on the UPMC Retirement Center website.

General Purpose Loan

You can take a general purpose loan for any reason. You must repay the loan within 5 years.

Primary Residence Loan

You can take a primary residence loan to purchase a primary residence for yourself. Your primary residence can be a house, condominium, co-op, mobile home, or new home constructed by a builder or yourself.

You must repay the loan within 15 years.

Taking a Loan

You'll be charged a $100 processing fee, which will be added to the loan amount you request.

You can have only one loan of each type outstanding at any time. For example, if you have a balance in both the 401(a) and 403(b) plans, you may have one of the following combinations of outstanding loans at any time:

- 401(a) General Purpose, 403(b) Primary Residence
- 403(b) General Purpose, 401(a) Primary Residence
- 401(a) General Purpose, 401(a) Primary Residence
- 403(b) General Purpose, 403(b) Primary Residence

If you already have the maximum number of outstanding loans, you must pay off one of your outstanding loans before requesting a new one. You must repay the prior loan at least one month before you may be approved for another loan of the same type.

Unlike a withdrawal, a loan isn't taxable and doesn't permanently reduce your account balance as long as you repay it timely.

If you're currently in bankruptcy or have been in bankruptcy within the past 12 months, you are not eligible to take a new loan.

Amount You Can Borrow

The loan amount you request must be in $100 increments, with the minimum amount you can borrow being $1,000.

The maximum amount you can borrow is the **lesser** of:

- 50% of your vested account balance (including any outstanding loan) as of the day before the loan is made minus your current outstanding loan balance.
- $50,000 minus your highest outstanding loan balance(s) across all of the employer's qualified plans during the past 12 months.

Requesting a Loan

How to Request a Loan

You can request either a general purpose or primary residence loan on the UPMC Retirement Center website.

General Purpose Loan

If you request a general purpose loan, you'll receive a Truth-in-Lending Disclosures/Promissory Note, which shows:

- Loan amount
- Loan duration
- Interest rate
- Repayment amount

You don't need to return the note--you can keep it for your records.

Primary Residence Loan

If you request a primary residence loan, you'll receive a Loan Application for Purchase of Primary Residence in the mail. Within 30 days, complete, sign, and return the application to the UPMC Retirement Center with a copy of the signed purchase agreement or, if building, a copy of the builder's contract.

The signed purchase agreement or builder's contract must be dated within the last 30 days and include all of the following:

- Your name as the buyer
- Address of the residence being purchased
- Purchase price
- Amount of the down payment
- A closing date in the future
- Signatures of both the buyer and seller

A loan application form is reviewed within two business days of when it's received. If your form and supporting documentation are completed correctly and verified to be accurate, your loan will then be posted to your account on the UPMC Retirement Center website. Your loan will not be posted until your loan application form and supporting documentation are complete and accurate.

If there is a problem with the materials you sent, you'll be notified by mail.

If your loan is approved, you'll receive a Truth-in-Lending Disclosures/Promissory Note. You don’t need to return the note—you can keep it for your records.

Timing of Loan Checks and Repayments

After the loan is processed, your loan check will be mailed to you within two business days.

Payroll begins deducting loan repayments from your paycheck as soon as administratively possible.

Interest on Your Loan

The interest rate on your loan is equal to the prime rate, as published in the Wall Street Journal on the 15th day of the month prior to the first day of the quarter during which you are approved for the loan, plus 1%.

This interest rate won't change during the term of your loan, even though the interest rate for loans requested in later quarters may be different.

How Money Is Taken From Your Account

When you borrow from your UPMC Savings Plan account, the money is taken from your accounts in this order:

1. After-tax contributions
2. Roth contributions
3. Roth Rollover contributions
4. Before-tax Rollover contributions
5. Before-tax contributions
6. Matching contributions (only the vested portion)

All of the available money in the first account must be depleted before money is taken from the next account. For example, the amount available in your after-tax contributions account must be fully depleted before money is taken from your Roth contributions account.

How Loans Affect Your Investment Fund Balances

The amount taken from each investment fund reflects how your accounts are invested. For example, if all of the money for your loan is taken from your before-tax contributions account, and 10% of that account is invested in the Vanguard Fund, 10% of your loan amount comes from that fund.

The percentage taken from each fund is based on the actual account balance currently invested in that fund, **not** on your investment choices for future contributions.

Repaying Your Loan

Payroll Repayments

Loan repayments are automatically deducted from your paychecks on an after-tax basis. You pay principal and interest with each loan repayment.

Your loan repayments are credited to your contribution accounts in the reverse order from which they were taken.

The money you repay is invested according to your current investment choices for future contributions.

Making Manual Repayments

You must send manual loan repayments to the UPMC Retirement Center if:

- You're not receiving a paycheck (for example, during a non-military unpaid leave of absence)
- You experience a drop in hours that significantly reduces your paycheck to the point that your income can no longer support the loan repayment

To make manual loan repayments, send a cashier's check, certified check, or money order, made payable to the UPMC Savings Plan, to the UPMC Retirement Center.

When you don't make a loan repayment as scheduled, your outstanding loan balance may be in default and could be considered a taxable distribution.

Call the UPMC Retirement Center for more information on making manual loan repayments.

Military Leave Rules

Loan repayments will be suspended for the time that you're on military leave. When you return from your leave, your loan term will be extended by the time you were on leave.

Interest on any loans will continue to accrue while you're on military leave. For a loan taken prior to your leave, interest will continue to accrue at the lower of the following:

- 6% interest rate
- Your original loan interest rate

If you took a loan after the start of your leave, interest will accrue at your original interest rate. As a result of accruing interest, your loan repayment amount will increase when you return.

Your loan repayment payroll deductions will start again as soon as administratively possible when you return.

Paying Off Your Loan Early

While Working for UPMC

You can repay your loan in full at any time. To do this, you can request an early loan payoff balance on the UPMC Retirement Center website.

When you request an early loan payoff, the following process occurs:

- An invoice, which shows three future payoff amounts and due dates, will be mailed within two business days of your request.
- Your payroll loan repayment deductions will continue as normal. The invoice shows the amount you owe, assuming these payroll loan repayments are made timely.
- If all requirements are met, your early loan payoff will be posted to your account on the UPMC Retirement Center website, based on the pay date that you choose on the invoice.
- If eligible, you can request another loan one month after your repayment has posted.

If there is a problem with your early loan payoff, you'll be notified by mail.

Note: If you start the process of repaying your loan early but decide against it, you're responsible for making up any missed loan repayments.

If You Leave UPMC

If you leave UPMC, you may continue to make payments or repay your loan in full, as long as you do not take a full distribution of your Plan account balance, and your Plan account balance is greater than $5,000.

If you don't continue making payments or don't repay your loan(s) in full, or if there is a full distribution of your Plan account balance, you'll be responsible for paying federal and state taxes on the remaining loan balance plus any applicable interest, and you may have to pay an early distribution tax on the balance (up to an additional 10%). See further details in the Foreclosure section below.

You'll receive a separation from employment letter that outlines the options available to you to continue making payments or to pay your outstanding loan balance in full. You may also call the UPMC Retirement Center for more information.

Loan Defaults and Foreclosures

When a Loan Goes into Default

Your loan is considered to be in default when:

- You fail to make a payment by the last day of the calendar quarter following the quarter in which the last payment was applied
- You commence a case in bankruptcy court seeking a discharge of your obligations and debts
- You die with any portion of the loan outstanding

What Happens to Loans in Default

If you miss a loan repayment while you're a UPMC employee, you have until the last day of the calendar quarter following the quarter in which the last payment was applied to make up the missed repayment. After this period, your outstanding loan is considered a "deemed distribution" and subject to taxes like a withdrawal. However, unlike a withdrawal, a deemed distribution is not an eligible rollover distribution. Besides the income taxes that may be due, the deemed distribution may be subject to an additional 10% penalty tax on early distributions.

The amount of the deemed distribution is your outstanding principal balance plus any accrued interest on the loan repayments that would have been made through the date of taxation had the loan not been in default.

When a loan is considered a deemed distribution, it remains an outstanding obligation and continues to accrue interest until you leave UPMC or repay the loan in full, including accrued interest, whichever is earlier. Because it remains outstanding, the loan counts toward:

- The maximum number of loans you can have outstanding
- The maximum amount available for a new loan

If you want to repay the taxed loan, you can do so at any time by making one lump-sum repayment.

The amount of the loan on which you were previously taxed won't be taxed again when you take a payment from the plan.

Foreclosures

If you leave UPMC, you may continue to make payments or repay your loan in full. Payments must be made timely. If you miss a loan payment, you have until the last day of the calendar quarter following the quarter in which the last payment was applied, to make up the missed repayment.

If you don't continue to make payments or repay your loan in full, it will be foreclosed. A loan foreclosure is not an eligible rollover distribution. The loan foreclosure amount is subject to taxes and possibly an additional 10% penalty tax on early distributions.

The amount of the loan foreclosure is your outstanding principal balance plus any accrued interest on the loan repayments you missed through the date of foreclosure.

Note: If you want to roll over the foreclosed loan amount to an IRA or another eligible employer plan that accepts rollover contributions, you must use your own money to make up the foreclosed amount and roll it over to the IRA or plan within 60 days of the date of the foreclosure.

How Withdrawals Work

While Working for UPMC

The plan's primary purpose is to provide benefits when you retire. However, under certain circumstances, you may be able to withdraw money from your account while you're still working by taking:

- Hardship withdrawals
- Age 59-1/2 withdrawals
- After-tax withdrawals (contributions must be in the plan for at least 24 months before withdrawal)
- Other prior plan withdrawals, if applicable

The amount available to you and the way the withdrawal affects your account depend on the type of withdrawal you request. For hardship withdrawals, you must withdraw at least $1,000. There is no minimum amount you must withdraw for other types of withdrawals.

You're limited to one hardship withdrawal from each plan (401(a) or 403(b)) each plan year. There's no limit on the number of age 59-1/2 and prior plan withdrawals you can take, if you're eligible as described later in this Summary Plan Description.

After Leaving UPMC

You can request a distribution from the plan if you leave UPMC as a result of resignation, discharge, retirement, or disability.

Your distribution options and the amount you're eligible to receive depend on your vested account balance after you leave UPMC.

If there's money in your account when you die, your beneficiary receives the vested portion of your account balance. If your beneficiary survives you but dies before getting all remaining benefits, the remaining benefits will be paid to your beneficiary’s estate.

Requesting a Withdrawal

To request a withdrawal, follow the withdrawal procedures.

Special tax rules apply when you take a withdrawal. Depending on the type of withdrawal you take, you may be able to defer taxes by rolling over the withdrawal to another eligible retirement plan or an individual retirement account (IRA). You will receive a tax notice upon hire and termination that will explain the tax rules for withdrawals.

Age 59-1/2 Withdrawals

Rules for Age 59-1/2 Withdrawals

Once you reach age 59-1/2, you can take a 401(a) or 403(b) withdrawal for any reason.

The amount that's available for withdrawal depends on whether you're vested.

Withdrawal Sources

When you take a 401(a) or 403(b) withdrawal from your UPMC Savings Plan account, it's taken from your subaccounts in this order:

Withdrawal of non-Roth Money:

Order in Which Contributions Are Withdrawn	Amount Available
After-tax contributions	You can withdraw all after-tax contributions and their investment earnings.
Rollover contributions	You can withdraw all rollover contributions and their investment earnings.
Before-tax contributions	You can withdraw all before-tax contributions and their investment earnings.
Matching contributions	You can withdraw all vested contributions and their investment earnings.

Withdrawal of Roth Money:

Order in Which Contributions Are Withdrawn	Amount Available
Roth rollover contributions	You can withdraw all Roth rollover contributions and their investment earnings.
Roth contributions	You can withdraw all Roth contributions and their investment earnings.

All of the available money in the first subaccount must be depleted before money is taken from the next subaccount. For example, for a non-Roth withdrawal, the amount available in your after-tax contributions subaccount must be fully depleted before money is taken from your rollover contributions subaccount.

How Withdrawals Affect Investment Fund Balances

The amount taken from each investment fund reflects how your subaccounts are invested. For example, if all of the money for your withdrawal is taken from your vested matching contributions subaccount, and 10% of that subaccount is invested in the Vanguard Fund, 10% of your withdrawal amount comes from that fund.

The percentage taken from each fund is based on the actual subaccount balance invested in that fund, **not** on your investment choices for future contributions.

After-Tax Withdrawals and Prior Plan Withdrawals

After-tax withdrawals and prior plan withdrawals may be available to you. A UPMC Retirement Center Representative can help you identify your total balance available for an after-tax withdrawal or a prior plan withdrawal if you are eligible. You may also refer to the UPMC Retirement Center website for additional information on withdrawals available to you. If you are on active duty in the military, you may have an additional withdrawal option. Please contact the Retirement Center for more information.

Hardship Withdrawals

Rules for Hardship Withdrawals

In certain situations, you can take a 401(a) or 403(b) hardship withdrawal from your UPMC Savings Plan account.

To take a hardship withdrawal:

- You must have an immediate and heavy financial need.
- The withdrawal must be necessary to satisfy that need.
- You must provide documentation to prove your financial hardship.

In most cases, you must incur the expense before requesting the withdrawal (except for tuition). However, you **cannot** pay the expense and then request a hardship withdrawal for reimbursement. The money you withdraw for hardship must be used to pay for that expense.

Amount You Can Withdraw

You can withdraw up to the amount of your immediate financial need or the maximum amount available, whichever is less.

However, you can request that the amount of your hardship withdrawal be increased to cover any federal, state, or local income taxes or penalties reasonably anticipated to result from the withdrawal.

Federal law prohibits the withdrawal of earnings related to any before-tax contributions credited to your account after December 31, 1988.

You **cannot** roll over the hardship withdrawal to another eligible retirement plan or individual retirement account (IRA).

Withdrawal Sources

When you take a 401(a) or 403(b) withdrawal from your UPMC Savings Plan account, it's taken from your subaccounts in this order:

1. After-tax contributions
2. Roth Rollover contributions
3. Before-tax Rollover contributions
4. Roth contributions
5. Before-tax contributions, exclusive of post-1988 earnings

6. Vested matching contributions

Note: Certain prior plan contributions (and related investment earnings) are **not** eligible for distribution as a hardship withdrawal. A UPMC Retirement Center Representative can explain if this provision applies to you.

All of the money in the first subaccount must be depleted before money is taken from the next subaccount. For example, the amount available in your after-tax contributions subaccount must be fully depleted before money is taken from your Roth rollover contributions subaccount.

How Withdrawals Affect Investment Fund Balances

The amount taken from each investment fund reflects how your subaccounts are invested. For example, if all of the money for your withdrawal is taken from your before-tax contributions subaccount, and 10% of that subaccount is invested in the Vanguard Fund, 10% of your withdrawal amount comes from that fund.

The percentage taken from each fund is based on the actual subaccount balances invested in that fund, **not** on your investment choices for future contributions.

Hardship Withdrawal Requirements

Events That Qualify as a Hardship

If you've already paid an expense, it's no longer a financial need and doesn't qualify for a hardship withdrawal.

You can apply for a hardship withdrawal only if your financial need is for **one** of these reasons:

- Costs directly related to buying your primary residence (excluding mortgage payments)
- Payments necessary to prevent your eviction from your primary residence or foreclosure on the mortgage on that residence
- Medical care expenses that you could deduct on your income tax return that **either**:
  - You, your spouse, or any of your dependents (as defined by the Internal Revenue Code) previously incurred
  - Were necessary for you, your spouse, or any of your dependents to receive medical care
- Payment of tuition, related educational fees, or room and board expenses for:
  - The next 12 months of postsecondary education
  - You, your spouse, your children, or your dependents (as defined by the Internal Revenue Code)
- Funeral expenses for your parents, your spouse, your children, or your dependents (as defined by the Internal Revenue Code without regard to the gross income limit)
- Costs to repair your primary residence due to a disaster that would qualify for a casualty deduction under IRS Code Section 165.

You'll be required to submit documentation supporting your hardship request.

Meeting the Financial Need Requirement

A hardship withdrawal request is deemed necessary if **all** of these requirements are met:

- The withdrawal does **not** exceed the amount of the immediate and heavy financial need.
- The need cannot be met by stopping your contributions to the plan.
- The necessary funds aren't available through insurance or any other type of reimbursement or compensation.
- You cannot acquire the necessary funds by liquidating your assets except if doing so would cause a hardship.

Hardship Documentation

To be approved for a hardship withdrawal, you must send supporting documents to the UPMC Retirement Center.

Purchase of Your Primary Residence

For costs directly related to buying your primary residence, submit **one** of these:

- Signed purchase contract
- If building, the builder's contract

If this hardship request includes closing costs and those costs aren't reflected on one of the documents above, include a Good Faith Estimate.

The contract or agreement must be dated within the last 60 days (180 for a builder's contract) and reflect **all** of the following:

- Your name as the buyer
- Address of the residence being purchased
- Purchase price
- Down payment amount and/or closing costs
- A closing date no more than six months in the future
- Signatures of both buyer and seller

Prevent Mortgage Foreclosure or Eviction

To prevent your eviction from your primary residence or foreclosure on your mortgage, submit a copy of **one** of these:

- Bank/mortgage statement
- Letter from bank/mortgage statement
- Letter from landlord
- Copy of court document substantiating the eviction or foreclosure legal proceedings

The statement or court document must:

- Be dated within the past 30 days

- Contain your name and address of residence
- Reflect the amount necessary to prevent foreclosure or eviction
- Show an eviction or foreclosure date in the future
- Formalize eviction or foreclosure, if statement or letter

Unreimbursed Medical Expenses

For expenses that haven't been reimbursed by your medical insurance, submit a copy of **each** of these:

- An Explanation of Benefits (EOB) from your medical insurer (or other insurance documentation such as claims summary, claims detail, or claims report)
- The corresponding bill from the provider

If you don't have medical insurance, submit **both** of these:

- An itemized bill from the provider
- A letter from the employer stating that you, your spouse, or your dependents aren't insured

For services to be provided at a future date, submit a bill from the provider stating the prepayment required for the service.

The EOB must be dated within the last two years and reflect:

- Date the services occurred
- Amount paid by the insurance company
- Amount owed by the insured

The provider's bill must be dated within the past 90 days and indicate the amount still due.

Postsecondary Education Expenses

For postsecondary education tuition, related educational fees (excluding books), and room and board expenses for the next 12 months for you, your spouse, your children, or dependents, submit a copy of **one** of these:

- Itemized tuition bill
- Room and board expense statement from the school

The bill or statement must:

- Show the name of the school
- Be dated within the past 90 days
- Be dated within two months of the beginning of the 12 months

Funeral Expenses

For funeral/burial expenses for your parent, spouse, children, or other dependents, submit a copy of the funeral/burial billing statement, including **all** of the following:

- Your name as the person billed
- Name of deceased
- Dates of services provided within the past 90 days
- Itemized funeral/burial expenses

Primary Residence Repairs Due to Disaster

For repair expenses of unforeseen damage to your primary residence not paid for by insurance, submit **one** of the following:

- Insurance report that includes:
    - Address of the property damaged
    - Date of damage within the past 90 days
    - Cause of damage, if available
    - Amount paid or to be paid by the insurance company
    - Amount owed by you
- A letter from you stating you have no insurance, which includes:
    - Address of the property damage
    - Cause of damage
    - Date of damage within the past 90 days
    - Statement from you that the property isn't insured

In addition, you must submit **all** of the following:

- An estimate or bill of itemized repairs that includes:
    - Your name
    - Address of the damaged property
    - Date when the estimate or bill was calculated
- Document explaining the cause of the damage, if your insurance report doesn't include it (police or fire report, newspaper story, or a letter from you, for example)
- Proof that you own or rent the residence (property tax bill, mortgage statement, property deed, or lease agreement, for example), which reflects:
    - Address of property damaged
    - You are the owner or renter of the property
    - You are liable--if you rent--to the owner for damages

How to Request a Withdrawal

You can request most types of withdrawals on the UPMC Retirement Center website. However, if you want to request installments or a prior plan withdrawal (if available), you must call the UPMC Retirement Center. The amount available for withdrawal is based on your account value at the close of each business day at **4:00 p.m. Eastern time**, or when the stock market closes, if earlier.

While Working for UPMC

If you request more than the amount available for withdrawal when your request is processed, you'll receive only the amount available.

Hardship Withdrawals

For a hardship withdrawal, you're required to complete a Hardship Withdrawal Form that you can request on the UPMC Retirement Center website or from the Retirement Center. You must return the signed form to the UPMC Retirement Center with supporting documentation before your hardship withdrawal can be approved.

A hardship form is reviewed within two to three business days of when it's received. If your form and supporting documentation are completed correctly and you qualify, your hardship withdrawal will be posted to your account on the UPMC Retirement Center website. If there is a problem with the materials you sent or you didn't qualify, you will be notified by based on your correspondence preference.

How Withdrawals and Loans Differ

Withdrawals and loans let you take money out of your account while you work for UPMC. However, they affect your account balance in different ways.

Withdrawals

When you take a withdrawal, you take money out of your account permanently. You may need to pay taxes on the amount you withdraw. You may also need to pay a penalty tax if the withdrawal is considered an early distribution from the plan. You will receive a tax notice upon hire and termination that will explain the tax rules for withdrawals.

Loans

When you take a loan, you borrow money from your account and pay your account back with interest. Your account is not permanently reduced, and you won't be taxed on your loan as long as you repay it timely.

Final Settlement Distributions

If you participate in the 401(a) plan and the 403(b) plan, you must decide what to do with the balance in each. You may choose to take different forms of payment from each plan, or take a distribution from one plan and defer payment under the other plan until a later date.

Timing for Receiving Payments

After your request is processed, your payment will be mailed within two business days.

Amount You Can Receive

If You Are 100% Vested

If you're 100% vested, you can receive the full value of your UPMC Savings Plan account, including:

- Your before-tax contributions
- Your Roth contributions
- Your after-tax contributions
- Matching contributions
- Your before-tax rollover contributions
- Your Roth rollover contributions
- Any investment earnings on those contributions

If You Are Not 100% Vested

If you're not 100% vested, you can receive:

- The full value of:
    - Your before-tax contributions
    - Your Roth contributions
    - Your after-tax contributions
    - Your before-tax rollover contributions
    - Your Roth rollover contributions
    - Any investment earnings on your contributions
- The vested portion of:
    - Matching contributions
    - Any investment earnings on matching contributions

You forfeit any matching contributions and investment earnings that are **not** vested when you leave UPMC.

To receive a final distribution from your account, follow the withdrawal procedures.

Distribution Options

If Your Vested Account Value Is $1,000 or Less

If your vested account balance, including your rollover contributions subaccount, is $1,000 or less, you'll automatically receive a lump-sum distribution approximately 60 days after you terminate your UPMC employment.

This cash-out limit applies to the 403(b) and 401(a) plans separately. Therefore, if you have a balance in both plans, one or both accounts may automatically be paid to you regardless of your total Savings Plan balance. For example, if your total Savings Plan balance is $2,000, and $1,000 consists of your 403(b) plan account and $1,000 consists of your 401(a) plan account, you'll receive an automatic distribution of both accounts. If your total Savings Plan balance is $2,000, and $1,500 consists of your 403(b) plan account and $500 consists of your 401(a) plan account, you'll receive an automatic distribution of your 401(a) plan account only.

The distribution is paid to you in cash. However, 20% of the taxable portion of the distribution is withheld for payment of taxes, unless you choose to directly roll over any or all of the taxable portion to another eligible retirement plan or individual retirement account (IRA).

You can request a distribution earlier if you want to roll over the distribution directly to another eligible employer plan or IRA. In order to permit the processing of any final pay that you may receive from UPMC, there is a 15-day administrative delay between your termination date and the date at which you're able to request a distribution of your UPMC Savings Plan vested account balance.

Note: If you contributed to the UPMC Savings Plan before July 1, 1999, and these contributions remain with an external record keeper, your 403(b) Savings Plan account won't automatically be distributed, regardless of your account value.

If Your Vested Account Value Is More Than $1,000 but $5,000 or Less

If your vested account balance, including your rollover contributions subaccount, is greater than $1,000 but $5,000 or less, excluding your rollover contributions subaccount, your account will automatically be rolled over to an Alight Financial Solutions IRA in your name about 60 days after you leave UPMC. You'll be given the name of an IRA provider and details on how to access your IRA when you leave UPMC.

This automatic rollover will be invested in a fund designed to preserve principal and provide a reasonable rate of return and liquidity. Any fees and expenses charged by the investment fund will be paid by you from your new account. For more information, contact a UPMC Retirement Center Representative.

If your account balance grows to more than $5,000 by the time your balance is to be rolled over, you won't receive an automatic rollover. Your money will remain in the Plan unless you request a distribution. If your account balance decreases to $1,000 or less, you'll automatically receive a lump-sum distribution payable to you.

You can request an earlier distribution if you want:

- The payment rolled over to an IRA or eligible employer plan of your choice

- The payment made to you and not rolled over to an IRA

Your Vested Account Value Is More Than $5,000

If your vested account balance, not including your rollover contributions subaccount, is more than $5,000, your money will remain in the Plan until you request a distribution. You can:

- Receive a lump-sum payment in cash
- Receive installment payments
- Defer payment

Depending on the payment option you choose, you may be able to roll over the payment to another eligible retirement plan or individual retirement account (IRA).

If You Die Before Receiving Payment

If you die before receiving the full value of your account, your beneficiary receives your remaining balance. Your beneficiary must begin receiving payments according to the IRS required minimum distribution rules. See Required Minimum Distribution section for further details.

If You Have an Outstanding Loan

If you have a loan outstanding when you leave UPMC, the unpaid balance is considered in default and may be foreclosed.

Lump-Sum Distributions

You can request a lump-sum distribution after you leave UPMC. In order to permit the processing of any final pay that you may receive from UPMC, there is a 15-day administrative delay between your termination date and the date at which you're able to request a distribution of your UPMC Savings Plan vested account balance. When you take a lump-sum distribution, you receive your entire vested account balance in one payment. You may be able to roll over a lump-sum distribution into another eligible retirement plan or individual retirement account (IRA).

Partial Distributions

You can request a partial distribution of your UPMC Savings Plan non-Roth and/or Roth vested account balances after you leave UPMC. In order to permit the processing of any final pay that you may receive from UPMC, there is a 15-day administrative delay between your termination date and the date at which you're able to request a partial distribution. When you request a partial distribution, you may request a portion of your non-Roth and/or Roth account balance that is less than 100% of your vested account balance, but not less than $1,000. You may request up to two non-Roth partial distributions and two Roth partial distributions per year.

When you take a partial distribution of your UPMC Savings Plan non-Roth or Roth vested account balance, it's taken from your subaccounts in this order:

Non-Roth Partial Withdrawal

1. After-tax contributions
2. Pre-tax rollover contributions
3. Pre-tax contributions
4. Vested Employee Match
5. Employer Contributions

Roth Partial Withdrawal

1. Roth rollover contributions
2. Roth contributions

All of the available money in the first subaccount must be depleted before money is taken from the next subaccount. For example, for a non-Roth partial distribution, the amount available in your after-tax contributions subaccount must be fully depleted before money is taken from your pre-tax rollover contributions subaccount.

Installments

How Installments Work

When you leave UPMC, you can receive your vested account balance in calculated installments. You can choose to receive payments monthly or annually.

Your installments automatically end when you've received your entire vested account balance.

Calculated Installments

Your maximum installment period for a calculated installment can't exceed your life expectancy or, if you are married, the joint life expectancy of you and your spouse.

Determining Calculated Installment Amounts

Each calculated installment amount depends on:

- Your account balance
- The length of your payment period
- Investment earnings during the payment period
- Other payments you take during the payment period

To estimate the amount of your first payment, divide your total account balance, not including any unpaid loan balances, by the number of payments you chose.

Future payments are calculated by dividing your account balance at the time the payment is made by the number of installment payments remaining.

Example

Assume that:

- You choose to receive annual installments for eight years.

- Your account balance at the time of the first payment is $20,000.

Your first installment is $2,500 ($20,000 divided by eight installments).

To calculate the amount of your next installment, which is due on the one-year anniversary of your first installment payment:

- Determine your account balance: $17,500 (your balance after your first installment) plus $200 in investment earnings equals $17,700.
- Divide by the number of remaining payments: $17,700 divided by seven installments equals $2,528.57.

If you receive calculated installments for less than 10 years, you may be able to roll over the payments to another eligible retirement plan or individual retirement account (IRA).

Changes to Your Installments

After you start receiving installments, you can change your tax withholding choices. You may also be able to change the frequency of your payments.

You can stop receiving installments at any time by calling the UPMC Retirement Center.

Rolling Over Installments

Installments that are scheduled or expected to last for less than 10 years may be eligible for rollover to another eligible retirement plan or individual retirement account (IRA). You should check with your tax advisor for more details.

Rollover Distributions

You can roll over an eligible distribution from the UPMC Savings Plan to another eligible retirement plan or individual retirement account (IRA).

The primary advantage of rolling over an eligible distribution is that you continue to defer paying taxes on the money.

An eligible rollover distribution is any distribution **except**:

- Substantially equal periodic payments made at least annually over:
  - Your life expectancy
  - The joint life expectancy of you and your designated beneficiary
  - A specified period of 10 or more years
- Required minimum distribution amounts
- Payments made to a nonspouse alternate payee under a Qualified Domestic Relations Order (QDRO), except as explained below
- Any hardship withdrawal amounts
- Loans treated as deemed distributions due to default
- Payments made to correct contributions in excess of the plan's contribution limits

Note: A nontaxable payment is an eligible rollover distribution if you **either**:

- Directly roll it over to an IRA or another qualified retirement plan, such as a:
  - 401(k) plan
  - Profit sharing or thrift plan
  - ESOP
  - Stock bonus plan
  - 403(b) tax-sheltered annuity plan
- Have it paid to you and then roll it over to an IRA or another qualified retirement plan within 60 days of the date you receive it

A nonspouse beneficiary may roll over a payment directly to an "inherited" IRA, but not to a qualified plan.

Eligible Retirement Plans and Individual Retirement Accounts That Accept Rollovers

These are examples of eligible retirement plans that may accept rollovers:

- 401(k) plan
- Defined benefit or pension plan
- Profit sharing or thrift plan
- SIMPLE 401(k) plan
- Money purchase pension plan
- Section 403(a) annuity plan
- Stock bonus plan
- Employee stock ownership plan (ESOP)
- Section 403(b) tax-sheltered annuity plan
- Certain governmental Section 457 plans

Be sure to check with the plan to make sure it will accept rollovers.

You can roll over nontaxable amounts from the UPMC Savings Plan only to an individual retirement account (IRA), 403(b) tax-sheltered annuity plan, or another plan of the same type. For example, you **cannot** roll over after-tax amounts from a qualified plan to a Section 457 governmental deferred compensation plan.

These are examples of plans that are **not** eligible retirement plans for rollover purposes:

- Nonqualified plan
- Stock option plan

UPMC Savings Plan participants who are also participants in the UPMC Cash Balance Plan have the option of requesting a rollover distribution of their 401(a) Savings Plan balance and rolling that into the Cash Balance Plan. This rollover balance may then be taken as an annuity from the Cash Balance Plan.

Rollovers to an IRA

In general, you can roll over a distribution from an eligible employer plan to an IRA. Check with your IRA provider to make sure your rollover will be accepted.

These are examples of IRAs that do **not** accept rollovers from eligible retirement plans:

- SIMPLE IRA
- Education IRA

How to Make a Rollover Distribution

To make a direct rollover, you must specify the rollover amount and the financial institution (including the name of the eligible retirement plan or individual retirement account and your account number) that you want to receive your money.

- The taxable portion of an eligible distribution that's directly rolled over is not subject to mandatory 20% federal tax withholding.
- The taxable portion of an eligible distribution that's not directly rolled over is subject to mandatory 20% federal tax withholding and may be subject to the 10% penalty tax on early distributions.

If you don't make a direct rollover when you leave UPMC, you may still have the option of making a 60-day rollover.

Types of Rollover Distributions

Direct Rollover

A direct rollover occurs when the UPMC Savings Plan makes the distribution payable to another eligible retirement plan or individual retirement account (IRA).

The portion of the distribution that's directly rolled over is **not** subject to the mandatory 20% federal tax withholding and the 10% penalty tax on early distributions.

60-Day Rollover

When an eligible rollover distribution is made payable to you, you can roll over part or all of it to an eligible retirement plan or IRA. You must deposit the distribution in the eligible retirement plan or IRA within 60 days of receiving it.

Because the money is paid to you and not directly to another eligible retirement plan or IRA, it **is** subject to the mandatory 20% federal tax withholding and may be subject to the 10% penalty tax on early distributions. If you want to roll over the entire eligible rollover distribution amount, you must use your own money to replace the money that's withheld for taxes. You may receive a credit for the taxes withheld when you file your taxes. Then, depending on your tax circumstances, you may get a refund.

In-Plan Roth Conversion

The Small Business Jobs Act of 2010 was signed into law on September 27, 2010 – effective September 28, 2010 plans that offer a Roth 401(k) feature can allow participants to convert their distributable non-Roth money into a Roth account within the plan.

- Extends benefits of Roth IRA conversions to in-plan conversions
- Reduces employer plan leakage
- Enables participants to take advantage of lower cost investments and unbiased tools and support within the plan
- Avoids separating retirement savings onto two platforms with different investment structures

If You Defer Payment of Your Account

How Your Account Is Invested

If you defer payment of your vested account balance, your account continues to be invested in the Plan.

You have access to the same investment funds and can transfer or reallocate your money among them. The investment options available under the UPMC Savings Plan are reviewed on a periodic basis and may change from time to time, as determined by the UPMC Retirement Committee. You will be notified prior to any investment option changes.

Quarterly Fee

A quarterly fee of $7.50 will be imposed starting on the first day of each calendar quarter for all vested terminated participants who choose to leave an account balance in the UPMC Savings Plan. The UPMC Savings Plan is authorized by applicable tax and benefits regulations to deduct this quarterly fee as a reasonable charge for the administrative costs of maintaining plan accounts for vested terminated participants.

The fee is set by the plan administrator and can change from time to time. The fee will be payable if a vested terminated participant has any account balance held under the Savings Plan on the first day of a calendar quarter. The fee is a flat fee and will not be prorated or adjusted in any way for account activity during or before a calendar quarter. Fees for the next calendar quarter can be avoided by taking an entire distribution of the Savings Plan benefit before the start of that calendar quarter.

Required Minimum Distributions

Required minimum distributions must be paid from your account beginning in the calendar year following the calendar year you retire or reach age 73, whichever is later. Effective January 1, 2024, the Roth Rollover Account and the Roth Contribution Account are not subject to the required minimum distribution rules.

- You must receive the first required minimum distribution no later than April 1 of the calendar year following the year in which you retire or reach age 73, whichever is later.

- You must receive the second required minimum distribution no later than December 31 of the calendar year following the year in which you retire or reach age 73, whichever is later. This means that you may receive your first two required minimum distributions in the same tax year.
- You must receive the subsequent required minimum distributions by December 31 of each following year.
- If you were born on or after July 1, 1949, but before January 1, 1951, required minimum distributions must be paid from your account beginning in the calendar year following the calendar year you retire or reach age 72.
- If you were born before July 1, 1949, required minimum distributions must be paid from your account beginning in the calendar year following the calendar year you retire or reach age 70-1/2.

To calculate the minimum amount you must receive each year, the plan determines your closing account balance for December 31 of the prior year and divides that amount by a life expectancy factor set by the federal government.

If you receive or request a payment during a year in which you're required to receive a minimum distribution:

- That payment will count toward your required minimum distribution for the year.
- If the payment isn't enough to satisfy your required minimum distribution for the year, you'll automatically receive payment for the remaining amount before the end of the year.

However, it's your responsibility to make sure you receive the entire amount of your required minimum distribution by December 31 each year.

Special payment rules apply for your beneficiaries.

Payments to Your Beneficiaries

If You Die On or After the Required Minimum Distribution Date

If you die on or after the date you're required to begin receiving minimum distributions from the plan, your beneficiary (or beneficiaries) will be paid as explained below.

If Your Spouse Is Your Beneficiary

If you die on or after the date you're required to begin receiving minimum distributions from the plan, your spouse must begin receiving payments by December 31 of the year following your death. Required minimum distributions are calculated using life expectancy tables.

If Someone Other Than Your Spouse Is Your Beneficiary

If someone other than your spouse is your beneficiary, your beneficiary must receive your entire benefit at least as rapidly as you were at the time of your death.

If You Die Before the Required Minimum Distribution Date

If you die before the date you're required to begin receiving minimum distributions from the plan, your beneficiary (or beneficiaries) will be paid as explained below.

If Your Spouse Is Your Beneficiary

If your spouse is your beneficiary, required minimum distributions are calculated using his or her life expectancy and must begin by the **later** of:

- December 31 of the year following the year in which you die
- December 31 of the year in which you would have reached age 73

If Someone Other Than Your Spouse Is Your Beneficiary

If someone other than your spouse is your beneficiary, your beneficiary must receive your entire benefit within one year of your death.

Qualified Domestic Relations Order (QDRO)

If you become divorced, certain orders could require that part of your benefit be paid to someone else--your spouse or children, for example. This is known as a Qualified Domestic Relations Order (QDRO). A QDRO could affect benefits paid to you or your beneficiaries.

For a QDRO to qualify under the plan, certain procedures must be followed. Contact the UPMC Retirement Center for more information and/or for a copy of the QDRO procedures.

If a QDRO is approved by the Plan Administrator, you will be charged a $600 processing fee, which will be split equally between your account and the account of the alternate payee (unless directed otherwise by the QDRO).

Taxes on Payments

The Importance of Good Tax Advice

Because tax rules are complex and constantly changing, you should consult a tax advisor for advice about your situation.

UPMC **cannot** assist you with tax advice. Neither the trustee nor the plan administrator is responsible for the taxes you owe. The tax consequences of any payments you receive are determined by law and/or the choices you make.

Taxes Withheld on Payments

The portion of an eligible distribution that isn't directly rolled over is subject to mandatory 20% federal tax withholding and may be subject to a 10% penalty tax on early distributions.

The taxable portion of a payment that isn't eligible for rollover is subject to federal income tax withholding unless you choose not to have taxes withheld. If the payment is a periodic payment (for example, a calculated installment), withholding is taken according to the wage withholding tables as if you were married and claiming three allowances. If the payment isn't a periodic payment (for example, a hardship withdrawal), withholding is taken at a flat 10% rate.

If you don't have enough federal income taxes withheld from your payment, you may be responsible for paying the estimated tax. You may incur penalties if your withholding and estimated tax payments are insufficient.

How Payments Are Taxed

Payments from qualified plans are subject to federal and, if applicable, state taxation as ordinary income. But certain payments qualify for special tax treatment, which can reduce the tax you owe.

Deferring Taxes with Direct or 60-Day Rollovers

You can defer paying taxes and avoid the 10% penalty tax on early distributions by rolling over your payment to another eligible retirement plan or individual retirement account (IRA). You can make a direct rollover or 60-day rollover of the portion of your payment that qualifies as an eligible rollover distribution.

What IRS Form 1099-R Reports

You'll receive an IRS Form 1099-R at the end of January of the year following the year you receive a payment.

The information on Form 1099-R will help you when filing your income tax return. This form shows:

- Total amount of the payment
- Taxable portion of the payment
- Amount of withholding taken from the payment
- Distribution code indicating the general type of payment you received and whether the 10% penalty tax on early distributions applies
- Amount of after-tax contributions credited to the payment

A Form 1099-R for your payment is also filed with the IRS and your state government.

More Information

For more specific information about the tax treatment of payments from qualified plans, consult a tax advisor. These materials may also be helpful:

- IRS Publication 575, Pension and Annuity Income
- IRS Publication 590, Individual Retirement Arrangements
- Special Tax Notice section of the Payment Rights Notice
- IRS Form 4972
- IRS Form 5329

Special Tax Treatment

Lump-Sum Payments

If your payment qualifies as a lump-sum distribution, as defined in the Internal Revenue Code (IRC), it may be eligible for special tax treatment. Ask your tax advisor for more information.

10-Year Averaging

You may find it advantageous to use 10-year averaging to calculate the taxes owed on a payment, because 1986 tax rates are used in the calculation.

Your payment may be eligible for 10-year averaging if **both** of these apply:

- You were born before January 1, 1936.
- You receive a lump-sum distribution.

Penalty Tax on Early Distributions

The Internal Revenue Code (IRC) imposes a 10% penalty tax on the taxable portion of early distributions from qualified plans.

These payments are **not** subject to the 10% penalty tax:

- Payments made on or after the date you reach age 59-1/2
- Payments made to you when you leave UPMC in or after the year you reach age 55
- Payments made to your beneficiary (or to your estate) on or after your death
- Payments made to you because of a disability, as defined in the IRC
- Payments made to an alternate payee as the result of a Qualified Domestic Relations Order (QDRO)
- Substantially equal payments, made at least annually, for your life expectancy or the joint life expectancy of you and your designated beneficiary
- Payments made to you for medical care to the extent that those payments don't exceed the amount allowed as a deduction under the IRC for amounts paid during the taxable year
- Payments made because of an IRS tax levy

Payment Rights Notice

What You'll Receive

Federal law requires that you receive certain information about your rights when you take a payment from the UPMC Savings Plan. These rights are explained in the Payment Rights Notice.

The full text of the notice is provided online when you request a withdrawal on the UPMC Retirement Center website. You can also have a free copy of the notice sent to you by requesting a copy on the UPMC Retirement Center website.

You have 30 days to consider these rights, but you can waive the 30-day notice period by confirming your payment request. If you don't want to waive your right to the 30-day waiting period, don't confirm your payment request. However, if you request a payment at a later date, you'll be asked again if you want to waive this right.

You may have the right to:

- Leave your money in the plan
- Choose a different payment option
- Roll over any eligible portion of your payment to another eligible retirement plan or individual retirement account (IRA)

Your decision may affect your future payment options.

Your Confirmation

When you confirm a payment request, you:

- Waive your right to the 30-day notice period
- Acknowledge that you've received, reviewed, and understood the information provided in the notice or summary of the notice

Note: Your decision to waive your right to the 30-day notice period doesn't obligate the Plan to make the payment within 30 days.

Important Plan Information

Plan Identification

When dealing with or referring to the plan in benefits appeals or other correspondence, you'll receive help more quickly if you identify the plan fully and accurately.

To identify the plan, use the employer identification number (EIN) and the plan number (PN).

For the UPMC 401(a) Retirement Savings Plan, the EIN is 25-1423657 and the PN is 335. For the UPMC 403(b) Retirement Savings Plan, the EIN is 25-1423657 and the PN is 334.

The UPMC 401(a) Retirement Savings Plan is a defined contribution plan. The UPMC 403(b) Retirement Savings Plan is a tax-sheltered annuity plan. These plans are also intended to meet the provisions of Section 404(c) under the Employee Retirement Income Security Act of 1974 (ERISA). For more information, refer to the quarterly Economic Summary document that is posted on the UPMC Retirement Center website, under the Savings and Retirement Plan Information, on the Update to Participants link, and included with your annual account statement.

Plan Year

Plan records are maintained on a calendar-year basis, starting each January 1 and ending each December 31.

Plan Trustee

All contributions to the plan are directed to the UPMC and Affiliates 401(a)Retirement Savings Plan and/or the UPMC 403(b) plan.
The trustee of the plan is:

BNY Mellon Bank
BNY Mellon Bank Center, Room 3346
Pittsburgh, PA 15258-0001
1-412-234-5000

The trustee makes benefit payments as authorized by the plan administrator.

Service of Legal Process

Legal process may be served on:

UPMC
c/o Benefits Department, Corporate Human Resources
U.S. Steel Tower, 600 Grant Street, Floor 56
Pittsburgh, PA 15219
1-800-994-2752, Option #1, Option #3

Service of legal process may also be made upon the plan trustee or the plan administrator.

Funding Information and Source of Contributions

Employer matching contributions to the Savings Plan are paid out of general company assets. These contributions and the contributions you make to the plan are placed in a trust fund.

Plan Sponsor and Administrator

UPMC sponsors and is the plan administrator for the UPMC 401(a) Retirement Savings Plan and the UPMC 403(b) Retirement Savings Plan. Both plans are referred to in this document as the UPMC Savings Plan.

You may direct any questions about your rights under the plan to UPMC at any time by writing to this address:

UPMC
c/o Benefits Department, Corporate Human Resources
U.S. Steel Tower, 600 Grant Street, Floor 56
Pittsburgh, PA 15219
1-800-994-2752, Option #1, Option #3

You and your beneficiary may obtain an updated list of the employers sponsoring the plan by sending a written request to the above address. The list of sponsoring employers is also available for inspection at the above address. The plan administrator has been delegated full and final authority and discretion to:

- Make all final determinations or allow changes under the plan, including eligibility for benefits
- Interpret and construe all of the terms and provisions of the plan

The plan administrator also authorizes or performs the day-to-day operations of the plan, such as authorizing benefit payments, considering appeals, resolving questions, maintaining records, filing reports, and distributing information to plan participants and beneficiaries. UPMC may delegate one or more of its duties to its agents.

UPMC Retirement Center

You can contact the UPMC Retirement Center at 1-877-206-8264 concerning any questions about your UPMC Savings Plan account. You can also access your information by logging on to the UPMC Retirement Center website. You can access this through HR Direct or by typing http://digital.alight.com/upmc into your internet browser. Information can be sent to:

UPMC Retirement Center
Dept 07825
PO Box 1590
Lincolnshire, IL 60069-1590

Benefit Review Process

The plan follows a review process when you submit an application for benefits.

Initial Decision

When you file an application for benefits, the plan administrator reviews the application and makes a decision to either approve or deny it (in whole or in part). You'll receive a written notice of the decision within 90 days of receipt of the application by the plan. In some situations, the plan may need an extension of time to make a decision (for example, if the plan needs additional information). In these cases, the period may be extended for an additional 90 days. You'll receive a written notice of this extension prior to the end of the initial 90-day period. The extension notice will explain why an extension is necessary and when the plan expects to make a decision.

If Your Benefit Is Denied

If your benefit is denied, you'll receive a written notice that explains:

- The specific reasons for the denial
- The specific plan provisions on which the denial is based
- A description of any additional material or information needed and an explanation of why it's necessary
- An explanation of the plan's benefit review procedures, applicable time limits, and your rights to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA) following a denial on review

Request for Appeal if Your Benefit Is Denied

After receiving the notice, you, your beneficiary, or your authorized representative may ask for a full and fair appeal of the decision by writing to the plan administrator. You must make this request within 60 days of the date you receive notice of the denial. During the 60-day period, you or your authorized representative will be given reasonable access to all related documents and information, and you may request copies free of charge. You can also submit written comments, documents, records, and other information to the plan administrator. If you do not appeal within the 60-day period, the decision of the plan administrator will be final.

Decision on Appeal

The plan administrator will review the appeal and make a decision based on all comments, documents, records, and other information you've submitted. The decision will be made at the next scheduled quarterly Retirement Committee Meeting that is at least 30 days after the appeal is received.

In most cases, you'll receive written notice of the plan administrator's decision within five days of the Retirement Committee Meeting. If necessary, however, the period may be extended for additional review time (not to exceed the third quarterly meeting following receipt of the appeal. You'll receive a written notice of this extension prior to the end of the initial 60-day period. If, on review, your benefit is denied, you'll receive a written notice that explains:

- The specific reasons for the denial upon appeal

- The specific plan provisions on which the denial is based
- That, upon request and free of charge, you are entitled to receive a copy of all documents, records, and information relevant to your claim
- Any voluntary appeal procedures offered by the plan, your right to obtain information about such procedures, and a statement of your right to bring an action under ERISA Section 502(a)

The plan administrator has the exclusive authority to interpret the provisions of the plan and to make final determinations regarding claims for benefit under the plans described in this summary plan description (SPD).

Plan Statute of Limitations

Before any suit may be filed in a state or federal court, a claimant must exhaust the Plan's administrative claims and appeals procedures within the time frames set forth above. If any such judicial proceeding is undertaken, the evidence presented will be strictly limited to the evidence timely presented to the Administrator. In addition, any such judicial proceeding will be forever barred unless it is filed within three years of the date that the claimant's appeal is denied.

A lawsuit under ERISA Section 502(a)(1)(B) cannot be taken against the Plan or the Plan Administrator more than three (3) years (or, if earlier, the statute of limitations set forth under a specific insurance policy under the Welfare Plan) after the date that your initial written formal claim for benefits was formally denied under the Plan's claims and appeals procedures.

Situations Affecting Your Benefits

The UPMC Savings Plan is designed to provide you with savings for your retirement. However, some situations could affect plan benefits. Those situations are summarized here:

- If you fail to make proper application for benefits or fail to provide necessary information, your benefits could be delayed.
- If you don't keep your most recent address on file and UPMC can't locate you, your benefit payment may be delayed. Once you (or your beneficiary, if you die) provide a current address, benefit payments can be made.
- The Internal Revenue Service (IRS) sets maximum limits on the amount you and UPMC can contribute to your account every year. These limits generally apply to higher-paid employees. You'll be notified if they affect you.
- Your plan benefits belong to you and may not be sold, assigned, transferred, pledged, or garnished, under most circumstances. However, a Qualified Domestic Relations Order (QDRO) may assign to an alternate payee the right to a portion of the benefits payable to you under the plan. Your Savings Plan benefit could be offset against amounts that you are ordered to pay to the Plan as a result of a criminal conviction or other judgment or settlement relating to the Plan.
- As required by law, alternate plan provisions go into effect if the plan becomes "top-heavy." The plan is top-heavy if more than 60% of accumulated account balances are payable to "key employees." Key employees include company officers, highly paid employees who are 1% owners of UPMC, 5% owners of UPMC, and their beneficiaries. You'll be notified in the unlikely event that the plan becomes top-heavy.
- If you (or your beneficiary) are unable to care for your own affairs, any payments due may be paid to someone who is authorized to conduct your affairs. This may be a court-appointed guardian or someone selected by you.
- Because the UPMC Savings Plan is an individual account plan (defined contribution), and benefits are fully funded, federal law does not provide for benefits to be insured through the Pension Benefit Guaranty Corporation (PBGC).
- If you're absent from employment due to service in the uniformed services and are subsequently reemployed, you may be entitled to certain rights and benefits. For example, you may be able to make up contributions to the plan that you could have made if you were continuously employed during your period of service in the uniformed services.
- If you leave employment (other than for death or total and permanent disability) as a time when you are not yet vested in your matching contributions, you will forfeit your unvested matching contributions and earnings thereon.

Changes to the Plan

If There Are Changes

While UPMC expects to continue the plan indefinitely, it reserves the right to amend, modify, suspend, or terminate the Plan--in whole or in part--at any time, in its sole discretion by action of the Retirement Committee or the plan sponsor.

If any material changes are made in the future, you'll be told about them.

If the Plan Ends

In the unlikely event that the plan terminates, you are immediately 100% vested as of the termination date, and you automatically become entitled to a final distribution of your account. The same applies if there is a partial termination affecting you.

Mergers, Consolidations, or Transfers

If the plan is merged or consolidated, or the plan assets are transferred to another plan, your current benefit is protected.

Your Legal Rights Under the Plan

As a participant in the UPMC Savings Plan, you're entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA), as amended, which are listed below.

Receive Information About Your Plan and Benefits

As a Plan participant, you're entitled to:

- Examine, without charge, at the Plan Administrator's office, all documents governing the plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a Plan benefit at normal retirement age (age 65) and, if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you don't have a right to a benefit, the statement will tell you how much longer you have to work to get a right to a benefit. This statement must be requested in writing and isn't required to be given more than once every 12 months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and don't receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials weren't 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. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a Domestic Relations Order or a Medical Child Support Order, you may file suit in federal court.

If it should happen that Plan fiduciaries misuse the plan's money, or if you're 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 the court finds your claim is frivolous).

Assistance With Your Questions

If you have any questions about your plan, you should contact the Plan Administrator.

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

U.S. Department of Labor
Employee Benefits Security Administration
Division of Technical Assistance and Inquiries
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.

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