

**SUPPLEMENTAL RETIREMENT PLAN
OF UNIVERSITY MEDICAL CENTER**

SUMMARY PLAN DESCRIPTION

EFFECTIVE SEPTEMBER 1, 2022

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INTRODUCTION TO YOUR PLAN

What kind of Plan is this?

The Supplemental Retirement Plan of University Medical Center (the "Plan") is a type of qualified retirement plan commonly referred to as a defined benefit pension plan. The Plan and your rights under the Plan are subject to State laws, such as the Texas Government Code, and federal laws, such as Sections 401(a) and 414(h) of the Internal Revenue Code ("IRC" or "Code"). The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service ("IRS"). The Board of Managers of Lubbock County Hospital District, d/b/a/ University Medical Center ("UMC") may also amend this Plan. If the provisions of the Plan that are described in this SPD change, UMC will notify you.

What information does this Summary provide?

This Summary Plan Description ("SPD") contains information regarding your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this SPD to get a better understanding of your rights and obligations under the Plan.

In this summary, UMC has addressed the most common questions you may have regarding the Plan. If this SPD does not answer all of your questions, please contact the Administrator or other plan representative. The Executive Vice President Administrator and Chief Financial Officer of UMC and the Administrator are responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this SPD in the Article entitled "General Information About the Plan."

This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. Any capitalized term is a term defined in the Plan document. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

**ARTICLE I
PARTICIPATION IN THE PLAN**

How do I participate in the Plan?

Eligible Employees. An Employee employed in the following positions on the indicated dates are eligible to participate in the Plan:

- President and Chief Executive Officer on or after April 1, 2007;
- President and Chief Executive Officer on or after January 1, 2018; and
- Executive Vice President Administrator and Chief Financial Officer on or after April 1, 2007.

Excluded Employees. If you are not employed in one of the positions listed above on the indicated dates, you are not entitled to participate in the Plan.

What happens if I terminate employment?

If you terminate employment before your Normal Retirement Date for reasons other than death or Disability or if you are demoted from the position described above prior to your Normal Retirement Date you will forfeit your retirement benefit. Termination of employment shall be determined in accordance with the policies of UMC.

Contribution Amounts

Employer Contributions. UMC will make contributions it determines are necessary to provide the benefits under the Plan determined by the application of accepted actuarial methods and assumptions.

Rollover Contributions to the Plan. This Plan does not accept rollover contributions from other plans or individual retirement accounts ("IRAs").

How is the money in the Plan invested?

The Trustee has been designated to hold the assets of the Plan for the benefit of Plan Participants and their beneficiaries in accordance with the terms of this Plan. The trust fund established by UMC will be the funding medium used for the accumulation of assets from which Plan benefits will be distributed.

The Trustee or another designated person or entity is responsible for the investment of all assets held by the Plan. Investment decisions are made in the best interests of you and other Plan Participants. If you have any questions, contact the Administrator (or other Plan representative). The name and address of the Trustee can be found in the Article of this SPD entitled "General Information About the Plan."

ARTICLE II VESTING

What is my vested interest in the Plan?

If you terminate employment with UMC for reasons other than death or Disability before your early or normal retirement date, you will forfeit your retirement benefits. You become vested in all other benefits under the Plan on the earlier of your Normal Retirement Date, your date of death or Disability.

Notwithstanding the foregoing, you will forfeit your benefits and must restore to UMC any payments of benefits previously made from the Trust upon any of the following events:

- (i) Your termination of employment with Employer before his Normal Retirement Date for reasons other than death or Disability;
- (ii) Your voluntary request or acceptance of a demotion from your position prior to Normal Retirement Date;
- (iii) Your failure to return to work following leave under the Family and Medical Leave Act, Employer's Worker's Compensation Leave Policy, or other Employer leave policies, unless you are determined to be Disabled;
- (iv) UMC's loss of state licensure or accreditation during your employment or within twelve (12) months of your termination of employment;
- (v) Your conviction of a felony or a crime of moral (a crime which involves dishonesty, fraud, deceit, misrepresentation, deliberate violence, or which reflects adversely on his honesty, trustworthiness, or fitness as a public employee);
- (vi) Your conviction of a federal offense related to a government program or if you are listed by a federal agency as debarred, excluded or otherwise ineligible for government program participation.

ARTICLE III BENEFITS

What kind of benefit does this Plan provide?

RETIREMENT BENEFIT

Eligibility Conditions. Effective September 1, 2022, you are eligible for a retirement benefit after the date you have attained your Normal Retirement Date.

Payment of retirement benefit. If you qualify for a retirement benefit, you will receive upon termination of Service, an annual benefit as set forth in the Plan Document payable in monthly installments for fifteen years or 180 payments.

Actuarially Equivalent. Actuarially equivalent means a form of benefit differing in time, period, or manner of payment from a specific benefit provided in the Plan but having the same value when computed using the following assumptions unless other factors are specified in the Plan document:

Mortality: the applicable annual mortality table within the meaning of Code §417(e)(3)(B), as initially described in Revenue Ruling 2007-67

Interest: five percent (5%) per annum, compounded annually

DISABILITY BENEFITS

Eligibility Conditions. You will qualify for a disability benefit if you have applied and qualified for disability benefits under the long term disability plan maintained by UMC.

If you who qualify for a disability retirement benefit, you will receive an annual benefit as set forth in the Plan Document payable in monthly installments for fifteen years or 180 payments.

The disability retirement benefit will commence after your regular salary, including vacation and sick leave pay, has ceased as a result of your disability (Disability Commencement Date).

How do I receive my benefits?

You must notify the Administrator, according to the Plan and any rules or procedures established by the Administrator. The Administrator may require a completed and timely benefit application or distribution form. Satisfactory evidence is required for persons who are physically, mentally, or legally incompetent and entitled to receive a benefit.

What if I become incompetent to receive a benefit?

If the Administrator receives satisfactory evidence that you are physically, mentally or legally incompetent to receive the benefit and give a valid receipt, that an individual or institution is maintaining or has custody of you, and that no guardian, committee or other representative of the estate of you has been appointed, the Administrator may direct the payment to the individual or institution maintaining or having the custody of you. Receipt of that individual or institution shall be a valid and complete discharge for the payment of the benefit. Also, a deposit to your credit in any bank or trust company shall be deemed payment to you.

**ARTICLE V
FORM OF BENEFIT PAYMENT**

How will my benefits be paid to me?

Your retirement benefit will be paid in 180 monthly payments. In the event your death precedes the aggregate payment of 180 payments, your Surviving Spouse will receive the balance of the monthly payments.

May I elect another form of benefit?

No, the service retirement benefit will be paid only as set out in the Plan document.

When must required distributions commence?

Generally, minimum distributions must begin not later than the April 1 following the end of the year in which the latest of the following occurs: (1) you reach age 70½; or (2) you terminate Service.

**ARTICLE VI
BENEFITS AND DISTRIBUTIONS UPON DEATH**

Spouse. In the event of your death, your Spouse will receive the benefits described in the Plan and as summarized below:

- 1) If you are married on the date your retirement benefits or disability benefits began and you die after your retirement benefits or disability benefits began, the benefits will be continued to your Spouse until an aggregate of 180 monthly benefits have been made. In the event of your death after retirement benefits or disability benefits have begun, your Spouse at the time benefits commenced shall receive the balance of any remaining payments described above even in the event of your divorce after benefits have begun or marriage to another.
- 2) If your death occurs while in active employment covered under the Plan and you are married at the time of your death, your Spouse will receive monthly payments for 180 months equal to those you would have received if your date of death was your Normal Retirement Date.
- 3) If your death occurs while in active employment covered under the Plan and you are not married at the time of your death, no benefits shall be paid.

**ARTICLE VII
TAX TREATMENT OF DISTRIBUTIONS**

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Distributions made to you when you are under age 59½ may be subject to an additional 10% tax.

Can I elect a rollover to reduce or defer tax on my distribution? The Plan does not provide for the distribution of an eligible rollover distribution.

**ARTICLE VIII
PROTECTED BENEFITS AND CLAIMS PROCEDURES**

Are my benefits protected?

As a general rule, your interest in the Plan may not be alienated. This means that your interest may not be sold, used as collateral for a loan, given away or otherwise transferred. In addition, your creditors (other than the IRS) may not attach, garnish or otherwise interfere with your benefits under the Plan.

Are there any exceptions to the general rule?

There are some exceptions to this general rule. One such exception is a qualified domestic relations order. A qualified domestic relations order is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your accrued benefit under the Plan to your spouse, former spouse, child or other dependent. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy that obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain from the Administrator, without charge, a copy of the procedure used by the Administrator to determine whether a qualified domestic relations order is valid.

Can the Plan be amended?

The Board of Managers of UMC has the right to amend the Plan. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries. No amendment shall deprive you of a right to receive an accrued benefit, to the extent funded.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator will provide you with a written or electronic notification of the Plan's adverse determination. This written or electronic notification must be provided to you within a reasonable period of time, but not later than 90 days after the receipt of your claim by the Administrator, unless the Administrator determines that special circumstances require an extension of time for processing your claim. If the Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 90-day period. In no event will such extension exceed a period of 90 days from the end of such initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the benefit determination.

The Administrator's written or electronic notification of any adverse benefit determination must contain the following information:

- (a) The specific reason or reasons for the adverse determination.
- (b) Reference to the specific Plan provisions on which the determination is based.
- (c) A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.
- (d) Appropriate information as to the steps to be taken if you or your beneficiary want to submit your claim for review.

What is the Claims Review Procedure?

The Administrator has established and maintains a procedure whereby a person whose claim to benefits is denied may have a reasonable opportunity to appeal such denial to the Administrator for a full and fair review. The claims procedure shall set forth reasonable time limits within which a claimant must request review and shall provide that the claimant or his duly authorized representative may request, in writing, all pertinent documents, and may submit issues and comments in writing.

The claims procedure shall also provide that The Administrator shall communicate a decision by the Administrator on the claimant's appeal to the claimant not later than sixty (60) days after the request for review by the claimant.

What if the Administrator errs in the payment of my benefits?

If any error in payment of benefits occurs, including an overpayment, the Plan shall correct such error and may adjust any future payment so the correct benefit will be paid, except as provided in the Plan and Texas Government Code §802.1024(b). The adjustment for an overpayment or underpayment may be made to one or more future payments at the discretion of the Administrator and pursuant to Texas Government Code §§802.1024 and 802.1025. If no future payments are due, the Administrator may recover an overpayment in any manner permitted by Texas Government Code §§802.1024 and 802.1025. The Administrator must begin the adjustment of future payment to correct an overpayment or recovery of an overpayment not later than the ninetieth (90th) day after the date a notice(s) is delivered.

ARTICLE IX GENERAL INFORMATION ABOUT THE PLAN

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

Plan Name

The full name of the Plan is the Supplemental Retirement Plan of University Medical Center.

Plan Effective Dates

This Plan was originally effective on September 1, 1999. The amended and restated provisions of the Plan become effective on September 1, 2022.

Other Plan Information

The Plan's records are maintained on a 12-month period of time. This is known as the Plan Year. The Plan Year begins on September 1 and ends on August 31.

The Plan and Trust will be governed by the laws of Texas to the extent not governed by federal law.

Service of legal process may be made upon Jeff Dane, the Executive Vice President Administrator and Chief Financial Officer or Prosperity Bank, the Administrator.

Employer Information

Your Employer's name, address and identification number are:

Lubbock County Hospital District, d/b/a University Medical Center
602 Indiana Avenue
Lubbock, Texas 79415
75-1301362

Plan Administrator Information

The Plan's Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, and directs the payment of your benefit at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other

materials related to the Plan. If you have any questions about the Plan or your participation, you should contact the Administrator. The Administrator may designate other parties to perform some duties of the Administrator.

The Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). Any such determination by the Administrator is conclusive and binding upon all persons.

The name, address and business telephone number of the Plan's Administrator are:

Prosperity Trust
1401 Ave Q
Lubbock, TX 79401
806-745-2178

Trustee Information and Plan Funding Medium

All money that is contributed to the Plan is held in a trust fund. The Trustee is responsible for the safekeeping of the trust fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The trust fund established by the Employer will be the funding medium used for the accumulation of assets from which benefits will be distributed.

The Plan's Trustee is:

Prosperity Trust
1401 Ave Q
Lubbock, TX 79401
806-745-2178

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