SUMMARY PLAN DESCRIPTION FOR:

SUTTER HEALTH
SEVERANCE PLAN
[This page intentionally left blank]
SUMMARY PLAN DESCRIPTION FOR THE SUTTER HEALTH SEVERANCE PLAN

TABLE OF CONTENTS

I. INTRODUCTION .............................................................................................................................. 1

II. PLAN INFORMATION .................................................................................................................. 2
   A. PLAN NAME AND NUMBER ....................................................................................................... 2
   B. SPONSORING EMPLOYERS ..................................................................................................... 2
   C. EMPLOYER IDENTIFICATION NUMBER .................................................................................. 2
   D. TYPE OF PLAN .......................................................................................................................... 2
   E. TYPE OF ADMINISTRATION ..................................................................................................... 2
   F. PLAN ADMINISTRATOR ............................................................................................................ 2
   G. SERVICE OF PROCESS ............................................................................................................ 3
   H. PLAN YEAR .............................................................................................................................. 3
   I. EFFECTIVE DATE ...................................................................................................................... 3
   J. SOURCE OF FUNDING ............................................................................................................... 3

III. ELIGIBILITY/PLAN PARTICIPATION ......................................................................................... 3
   A. ELIGIBILITY .............................................................................................................................. 3
   B. PLAN PARTICIPATION ............................................................................................................... 5

IV. BENEFITS .................................................................................................................................. 6
   A. SEVERANCE PAY BENEFITS FOR NON-EXEMPT EMPLOYEES ........................................... 6
   B. SEVERANCE PAY BENEFITS FOR EXEMPT, NON-MANAGEMENT EMPLOYEES AND
      SUPERVISORS ......................................................................................................................... 6
   C. SEVERANCE PAY BENEFITS FOR MANAGERS .................................................................. 6
   D. SEVERANCE PAY BENEFITS FOR DIRECTORS ................................................................... 6
   E. YEARS OF ELIGIBLE SERVICE ............................................................................................... 7
   F. LIMITS ON THE AMOUNT AND TIMING OF SEVERANCE PAYMENTS ................................ 7
   G. NOTICE TO EMPLOYER OF NEW EMPLOYMENT OFFERS ............................................... 7
   H. IMPACT ON SEVERANCE BENEFITS OF JOB OFFERS ....................................................... 8
   I. OTHER BENEFITS .................................................................................................................... 9
   J. SUSPENSION OF BENEFITS ................................................................................................... 10
   K. TERMINATION OF BENEFITS/REPAYMENT OF OVERPAYMENTS .................................... 11
   L. WHEN BENEFITS END ............................................................................................................ 11
   M. CLAIMS FOR BENEFITS ......................................................................................................... 12
   N. WITHHOLDING OF TAXES/TAX TREATMENT ..................................................................... 13

V. STATEMENT OF ERISA RIGHTS .............................................................................................. 13

ATTACHMENT A: PARTICIPATING AFFILIATED EMPLOYERS .................................................... 15
SUMMARY PLAN DESCRIPTION FOR THE
SUTTER HEALTH
SEVERANCE PLAN

I. INTRODUCTION

This summary plan description (“SPD”) reflects the terms of the Sutter Health Severance Plan (“Plan”) as amended and restated effective May 1, 2012.

As an employee of Sutter Health (“SH”) or any participating affiliate you may become eligible to participate in the Plan and to receive severance benefits if your employment with SH or any participating affiliate terminates under certain circumstances.

This SPD provides a brief description of the Plan, for your easy reference. It is intended to answer most of your questions about the Plan and replaces all prior announcements about the Plan. However, this SPD is just a summary and general description of the Plan – it does not necessarily fully describe or summarize all of the provisions of the Plan. No statements contained in this SPD or any summary of material modifications to this SPD constitute terms of the Plan – all such terms are contained in the official plan document and amendments to the plan document.

SH and participating affiliates have copies of the official plan document, as it may be modified from time to time, which is readily available for your inspection. If there is ever any conflict between the plan document and any statements made in this SPD, the plan document will control. Also, please remember that your supervisor has no authority to bind SH or any participating affiliate to any benefit or procedure that conflicts with the official plan document. If you have questions, please contact your human resources department.

Although SH and participating affiliates currently intend to continue all of the benefits described in this SPD, SH and the participating affiliates reserve the right to amend, reduce or terminate any of these benefits at any time and for any reason. In no event will you become entitled to any vested rights under any of the benefits provided under the Plan.

Neither this SPD nor the plan document confers any contractual right to any person either to become or to remain an employee of SH or any participating affiliate.
II. PLAN INFORMATION

A. Plan Name and Number.

The name of the Plan is the “Sutter Health Severance Plan.” It is plan number 515.

B. Sponsoring Employers.

The name and address of the principal sponsoring employer is:

Sutter Health
2200 River Plaza Drive
Sacramento, CA  95833

See Attachment A for a list of the participating Sutter Health affiliates.

C. Employer Identification Number.

Sutter Health’s Employer identification number is 94-2788907.

D. Type of Plan.

The Plan is a welfare benefit plan providing severance benefits.

E. Type of Administration.

The Plan is administered by Sutter Health.

F. Plan Administrator.

The Sutter Health Senior Vice President, Human Resources, is the Employee Retirement Income Security Act of 1974 (ERISA) “Plan Administrator.” Please direct all questions and correspondence to the Plan Administrator at the following address and telephone number:

Sutter Health Severance Plan
c/o Sutter Benefits Department
2880 Gateway Oaks Dr., Suite 200
Sacramento, California  95833
(888) 280-9300, option 3 (toll free)
G. **Service of Process.**

The designated agent for service of legal process is:

Office of the General Counsel  
Sutter Health  
2200 River Plaza Drive  
Sacramento, California 95833

Service of legal process may also be made upon the Plan Administrator.

H. **Plan Year.**

The Plan year is the calendar year.

I. **Effective Date.**

The Plan was effective as of August 1991. This SPD describes the Plan’s provisions as amended and restated effective May 1, 2012.

J. **Source of Funding.**

All benefits payable under the Plan to former employees of SH will be paid from the general assets of SH. All benefits payable under the Plan to former employees of a participating affiliate will be paid from the general assets of the participating affiliate.

III. **ELIGIBILITY PLAN PARTICIPATION**

A. **Eligibility.**

Each part-time and full-time employee, excluding limited term employees, who has successfully completed their introductory period, is eligible to participate in the Plan except an employee who is described in any of the following provisions:

1. An employee who is included in a unit of employees that is covered under a collective bargaining agreement unless the collective bargaining agreement provides for participation of eligible employees in the Plan.

2. An Intern, a Resident or an Administrative Fellow.

3. An employee in a temporary, limited term, per diem, on call or short hour position, or in any position under contract with SH or any participating affiliate.

4. An Employee covered by a grant program for less than three (3) consecutive years. If an individual was in a regular benefitted position and subsequently
became covered by a grant program, and has been covered by the grant program for less than three (3) consecutive years, that individual is eligible to participate in the Plan and that individual’s benefit will be based on all of his or her years of eligible service, including years while covered by a grant program. See section IV.E regarding the meaning of year of eligible service.

5. An employee who is offered a reasonably comparable position with SH or a SH affiliate after being notified of his/her termination of employment and before the employee’s separation from service, even if the employee elects not to accept it.

A “reasonably comparable position” is a regular employment position with:

- a full-time equivalent status within 15% of your current scheduled hours;
- a base hourly rate of pay within 15% of your current hourly rate of pay; and
- a reasonable location.

A change in your work schedule, e.g., a change in work days during the week or hours during the day, will not affect whether a position is a reasonably comparable position.

Reasonable location means:

- your new work location is less than or equal to fifty (50) miles from your current work location; or
- your new work location is less than or equal to fifty (50) miles from your current primary residence; or
- if you are already commuting more than 50 miles to your current work location, the new work location is the same or a lesser distance than your current commute.

6. An employee who is offered and accepts a reasonably comparable position before his/her separation from service with:

a. any company, following the sale or acquisition of SH or a SH affiliate or a department, service, position or similar function within SH or a SH affiliate to that company; or

b. any company, where a department, service, position or similar function within SH or a SH affiliate is outsourced or moved.

See Section III.A.5, above regarding the meaning of a reasonably comparable position.
7. An employee who has the right to a severance benefit from SH or any participating affiliate that does not arise from the Plan. For example, an employee who has the right to a severance benefit through a different employer-sponsored severance plan or through an offer of employment from SH or a participating affiliate is not eligible to participate in the Plan.

8. Employees of an affiliated employer that has not adopted the Plan.

9. Independent contractors, leased employees, temporary agency employees, contingent workers, and each other individual whom SH or a participating affiliate treats as if he or she were an independent contractor, leased employee or temporary agency employee, even if he or she satisfies legal criteria to be considered a common law employee.

B. Plan Participation.

To participate in the Plan, you must meet the Plan’s eligibility requirements (as described above), be involuntarily terminated and execute a release. The Plan Administrator will determine which Employees are eligible to participate in the Plan.

1. Involuntary Termination Requirement.

a. General Rule. Severance benefits will be paid to an eligible employee only upon his or her involuntary termination of employment by SH, or any participating affiliate, as a result of a reduction in staff. An involuntary termination does not include your transfer to another SH affiliate, your retirement or your continued employment by a successor employer. (If SH or a participating affiliate merges with another corporation the surviving corporation is the successor employer.) Involuntary termination of employment does not include termination of your employment, because of death or disability, as a result of your taking military leave, sick leave or any other leave of absence or in other similar situations not deemed by the Plan Administrator to be a reduction in staff.

b. Deemed Involuntary Terminations. In certain circumstances a voluntary termination of employment will be considered involuntary. You will be deemed to have involuntarily terminated employment if:

- your full-time equivalent status is reduced by more than 15% from your current scheduled hours; or

- your hourly rate of pay is reduced by more than 15% from your current hourly rate of pay; or

- your work location is moved so that it will be more than 50 miles from your current work location and more than 50 miles from your primary
residence (unless you are already commuting as far as your commute will be to the new work location).

2. **Release.**

“Release” means an agreement by you to waive any and all claims against SH and all SH affiliates, including known and unknown claims and claims under any statute or federal anti-discrimination law, statute, or policy, in exchange for benefits provided to you by the Plan. SH has the right to specify the form and specific terms of such an agreement.

**IV. BENEFITS**

A. **Severance Pay Benefits for Non-Exempt Employees.**

Severance pay benefits are paid on a salary continuation basis pursuant to your employer’s published pay dates. If you are a non-exempt employee (an employee who has an EEO sub-code 0) you will receive one week of base salary for each year of eligible service, up to a maximum of twenty-six (26) weeks of base salary. Non-exempt employees will receive a minimum of two (2) weeks of severance pay benefits even if they have less than two (2) years of eligible service.

B. **Severance Pay Benefits for Exempt, Non-Management Employees and Supervisors.**

Severance pay benefits are paid on a salary continuation basis pursuant to your employer’s published pay dates. If you are an exempt, non-management employee (an employee who has an EEO sub-code 0), up to and including a supervisory level employee (an employee who has an EEO sub-code 1), you will receive two (2) weeks of base salary for each year of eligible service, up to a maximum of twenty-six (26) weeks of base salary. You will receive a minimum of two (2) weeks of severance pay benefits even if you have less than one year of eligible service.

C. **Severance Pay Benefits for Managers.**

Severance pay benefits are paid on a salary continuation basis pursuant to your employer’s published pay dates. If you are a manager (an employee who has an EEO sub-code 2), you will receive two (2) weeks of base salary for each year of eligible service, up to a maximum of twenty-six (26) weeks of base salary. You will receive a minimum of four (4) weeks of severance pay benefits even if you have less than two (2) years of eligible service.

D. **Severance Pay Benefits for Directors.**

Severance pay benefits are paid on a salary continuation basis pursuant to your employer’s published pay dates. If you are a director (an employee who has an EEO sub-
code 3), you will receive two (2) weeks of base salary for each year of eligible service, up to a maximum of thirty-nine (39) weeks of base salary. You will receive a minimum of four (4) weeks of severance pay benefits even if you have less than two (2) years of eligible service.

E. **Years of Eligible Service.**

Your years of eligible service are equal to the total number of full 12 month periods in which you were employed in a benefit-eligible, regular status position counted from your adjusted hire date. Fractional years are not counted toward your years of eligible service. For example, if you worked for SH from February 15, 2004 to June 15, 2011 in a regular benefitted position you would have 7 years of eligible service. Your service from February 15, 2011 to June 15, 2011 would not be counted.

F. **Limits on the Amount and Timing of Severance Payments.**

The total amount of severance payments you receive will not exceed two times (i) your base salary for the year before your separation from service (adjusted upward for raises you received during the year your employment was terminated that were expected to continue indefinitely) or (ii) an amount set by the Internal Revenue Service annually, whichever is less. (Please see the Plan Administrator for the current amount of this limit.)

In addition, the Plan may not make any payments to you later than 24 months following your last day of work. You will forfeit any amount that would be payable to you in the absence of this limitation. As a result, if you delay executing a release for a lengthy period of time, you could forfeit payments. In addition, if you take a temporary or special project position with SH or a SH affiliate and the position results in a suspension of payments (as described in paragraph I below) that suspension of payments could also cause you to forfeit payments.

G. **Notice to Employer of New Employment Offers.**

If SH, a SH affiliate or a third-party offer you a new job after you have been provided notice of your termination of employment, but before your last day of work, you must provide notice of the job offer to your employer. You must provide notice promptly, no later than your last day of work, regardless of whether you have decided to accept or decline the offer yet. Also, if you receive a job offer after your last day of work, while you are still receiving severance benefits, you must provide notice of the offer to your former employer. You must provide notice within two weeks of receiving the offer, regardless of whether you have decided to accept or decline the offer by that date. You must advise your employer of the terms of the offer, including the location, salary, work schedule, and whether you accepted the offer. **If you fail to provide notice of the employment offer, you may be disqualified from receiving severance pay benefits, or if you have already begun receiving severance pay benefits, the payments may be**
discontinued. You may also be disqualified from receiving other benefits under the Plan.

H. Impact on Severance Benefits of Job Offers.

1. Job Offers Between the Date You are Notified of Your Termination of Employment and Your Last Day of Work.

If you receive a job offer after you are notified of your termination of employment, but before your last day of work, that job offer may change your benefits under the Plan. The following chart summarizes the impact of such job offers on your benefits. The chart assumes that you have provided the required notice to your employer of the job offers, as described above.

**JOB OFFER BEFORE YOUR LAST DAY OF EMPLOYMENT**

<table>
<thead>
<tr>
<th>Inside Sutter</th>
<th>Reasonably Comparable</th>
<th>Not Reasonably Comparable (not including per diem positions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee accepts offer</td>
<td>Employee accepts offer</td>
<td>Employee accepts offer</td>
</tr>
<tr>
<td>- No severance payments</td>
<td>- No severance payments</td>
<td>- No severance payments</td>
</tr>
<tr>
<td>- No other benefits</td>
<td>- No other benefits</td>
<td>- No other benefits</td>
</tr>
<tr>
<td>Employee declines offer</td>
<td>Employee declines offer</td>
<td>Employee declines offer</td>
</tr>
<tr>
<td>- No severance payments</td>
<td>- Full amount of severance payments</td>
<td>- Full amount of severance payments</td>
</tr>
<tr>
<td>- No other benefits</td>
<td>- Qualify for other benefits</td>
<td>- Qualify for other benefits</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Outside Sutter</th>
<th>Reasonably Comparable</th>
<th>Not Reasonably Comparable (not including per diem positions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee accepts offer</td>
<td>Employee accepts offer</td>
<td>Employee accepts offer</td>
</tr>
<tr>
<td>- 50% of severance benefit in a lump sum</td>
<td>- 50% of severance benefit in a lump sum</td>
<td>- 50% of severance benefit in a lump sum</td>
</tr>
<tr>
<td>- No other benefits</td>
<td>- Qualify for other benefits</td>
<td>- Qualify for other benefits</td>
</tr>
<tr>
<td>Employee declines offer</td>
<td>Employee declines offer</td>
<td>Employee declines offer</td>
</tr>
<tr>
<td>- 50% of severance benefit in a lump sum</td>
<td>- Full amount of severance payments</td>
<td>- Full amount of severance payments</td>
</tr>
<tr>
<td>- No other benefits</td>
<td>- Qualify for other benefits</td>
<td>- Qualify for other benefits</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Outsourced or Moved with Sale or Acquisition</th>
<th>Reasonably Comparable</th>
<th>Not Reasonably Comparable (not including per diem positions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee accepts offer</td>
<td>Employee accepts offer</td>
<td>Employee accepts offer</td>
</tr>
<tr>
<td>- No severance payments</td>
<td>- 50% of severance payments in a lump sum</td>
<td>- 50% of severance payments in a lump sum</td>
</tr>
<tr>
<td>- No other benefits</td>
<td>- Qualify for other benefits</td>
<td>- Qualify for other benefits</td>
</tr>
<tr>
<td>Employee declines offer</td>
<td>Employee declines offer</td>
<td>Employee declines offer</td>
</tr>
<tr>
<td>- 50% of severance benefit in a lump sum</td>
<td>- Full amount of severance payments</td>
<td>- Full amount of severance payments</td>
</tr>
<tr>
<td>- Qualify for other benefits</td>
<td>- Qualify for other benefits</td>
<td>- Qualify for other benefits</td>
</tr>
</tbody>
</table>
A position is outsourced when the employer eliminates the position, but the functions performed by the position will be performed by an employee of a non-Sutter company. A position is moved with a sale or acquisition when a Sutter entity sells a department or service to a third-party and the position within the department or service is moved to the third-party as part of the sale.

See Section III.A.5, above regarding the meaning of a reasonably comparable position.

2. Job Offers After Your Last Day of Employment, But While You are Still Receiving Benefits.

If you receive a job offer after you begin receiving severance benefits that job offer may change your benefits under the Plan. The following chart summarizes the impact of such job offers on your benefits. The chart assumes that you have provided the required notice to your employer of the job offers, as described above.

**JOB OFFER AFTER YOUR LAST DAY OF EMPLOYMENT**

<table>
<thead>
<tr>
<th>Inside or Outside Sutter</th>
<th>Reasonably Comparable Position</th>
<th>Not Reasonably Comparable (not including per diem positions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant accepts offer</td>
<td>50% of remaining severance benefit in a lump sum</td>
<td>Participant accepts offer</td>
</tr>
<tr>
<td></td>
<td>No other benefits</td>
<td>50% of remaining severance benefit in a lump sum</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No other benefits</td>
</tr>
<tr>
<td>Participant declines offer</td>
<td>50% of remaining severance benefit in a lump sum</td>
<td>Participant declines offer</td>
</tr>
<tr>
<td></td>
<td>No other benefits</td>
<td>Full amount of severance payments</td>
</tr>
</tbody>
</table>

See Section III.A.5, above regarding the meaning of a reasonably comparable position.

I. Other Benefits.


Your group health insurance benefits (medical, dental and vision) will terminate on the last day of the month in which you separate from service, unless you are eligible for and elect continuation coverage (COBRA) or early retiree medical access (ERMA), if applicable. If you elect COBRA coverage or ERMA, your employer will pay you a lump sum benefit equal to the amount of your COBRA or ERMA premiums (as of the date of your termination of employment), through
the month in which your severance pay benefits end but no less than one month. This payment will be taxable income.

2. **Employee Assistance Program Benefits.**

You will have the right to use your employer's Employee Assistance Program (EAP) for a total of no more than five (5) visits during the ninety (90) day period following your termination of employment.

3. **Outplacement Benefits.**

Plan participants are eligible for outplacement benefits, as outlined below. Your employer will provide you with the outplacement benefits vendor’s name and contact information, details regarding the specific benefits available to you and the conditions for your use of the service. Your employer may impose time limits on your use of outplacement benefits.

- Non-Exempt Employees: up to $1,000 of outplacement services.
- Exempt, Non-Management Employees and Supervisors: up to $2,500 of outplacement services.
- Managers: up to $5,000 of outplacement services.
- Directors: up to $7,000 of outplacement services.

4. **Other Benefits.**

All of your other pension, welfare or other fringe benefits will cease in accordance with the normal terms and conditions of those benefit programs, based on the effective date of your termination of employment.

J. **Suspension of Benefits.**

Your severance pay benefits that are otherwise payable under the Plan (see above) will be suspended in the following circumstances:

1. If you begin new temporary or special project employment (employment for a set amount of time) in a reasonably comparable position with SH or any other SH affiliate, your severance benefits will be suspended until that employment ends. (Additional severance benefits will not accrue during this time.) Then any undistributed severance benefits will continue to be paid in biweekly installments, but no payments will be made later than 24 months following your termination of employment. (See paragraph F above.) (See Section III.A.5, above regarding the meaning of a reasonably comparable position.)

If you have questions about whether your new employment constitutes temporary employment or special project employment, please contact the Plan Administrator
before accepting such new employment so that you know the effect of such employment on your severance pay benefits.

2. If you become employed in a per diem or on-call position with SH or a SH affiliate, your biweekly severance benefits will continue.

K. **Termination of Benefits/Repayment of Overpayments.**

Please note that SH and participating affiliates have reserved the right to terminate severance pay benefits and to recover overpayments due to inaccurate, false, or misleading information provided by a participant.

In the event you have received an overpayment, you must repay the Plan promptly, and if you have not made the repayment within 30 days after being provided with notice of the overpayment, you must pay interest. In addition, if you fail to make the repayment within 30 days you must pay all legal fees, court costs and the reasonable value of the time expended by SH’s (or participating affiliate’s) employees in collecting such overpayment.

L. **When Benefits End.**

All benefits under the Plan will stop upon the earliest of the following events:

1. You have received all of the severance payments promised to you under the Plan;

2. You are offered and accept a regular employment position that is not a reasonably comparable position with SH or a SH affiliate or with a third-party (“regular employment position” means you are employed with the expectation that your employment will continue indefinitely, rather than being employed for a limited period of time) (see “Job Offer After Your Last Day of Employment” chart in Article IV, Section H);

3. You are offered a reasonably comparable position with SH or a SH affiliate or with a third-party, even if you decline the offer; in which case, your former employer will pay to you, in a single sum, 50% of the unpaid amount of your severance benefit (see “Job Offer After Your Last Day of Employment” chart in Article IV, Section H);

4. You are not exercising reasonable due diligence in either seeking reemployment or in accepting reasonable and comparable employment offers (as determined by your employer or SH);

5. You disclose or use confidential or sensitive proprietary information of SH or a SH affiliate;

6. You disparage, denigrate, or criticize SH or a SH affiliate in any manner that is not protected by law;
7. You die before receiving all of the severance pay benefits that would have been payable to you. In this case, your former employer will pay your estate, in a single sum, an amount equal to 100% of the unpaid amount that would have been payable to you under the Plan;

8. You provide false, misleading or inaccurate information; or

9. Twenty-four (24) months have passed since your termination of employment.

M. Claims for Benefits.

1. All claims for benefits under the Plan should be directed to the Plan Administrator.

2. If such a claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification within a reasonable period of time, not to exceed 90 days. (In some cases this period may be extended to give the Plan Administrator more time to make its determination. You will receive a written notice of any extension, with an explanation of why the extension is necessary and the date the Plan Administrator anticipates providing you with a determination. Extensions will not be longer than 90 days.) Notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim, and an explanation of the claims review procedure. If the Plan Administrator fails to respond within 90 days (or, if the time period has been extended, within that longer period), your claim is treated as denied.

3. If a claim is denied in whole or in part, then within 60 days after denial, you or your beneficiary may submit a written request for reconsideration of the claim to the Plan Administrator. Any such request should be accompanied by documents or records in support of your appeal. You or your beneficiary (as well as your authorized representative) may review pertinent documents and submit issues and comments in writing.

4. The Plan Administrator will review the claim and provide, within 60 days, a written response to the appeal. In this response, the Plan Administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. In some cases this period may be extended an additional 60 days in order to give the Plan Administrator more time to make its determination.

The Plan Administrator has the exclusive right to interpret the Plan’s provisions. Decisions of the Plan Administrator are conclusive and binding. A claimant may not file suit for a denied claim unless and until the claimant has exhausted the
administrative procedures summarized above (i.e., file a claim with the Plan Administrator, appeal a denied claim, and receive a denial on appeal).

N. **Withholding of Taxes/Tax Treatment.**

SH and participating affiliates may withhold federal, state and local taxes from your benefit payments. By accepting a benefit under the Plan, you agree to be liable for any taxes, tax penalties or interest that may be imposed on you, or your estate, by the Internal Revenue Service, or any governmental agency, with respect to all benefits provided under the Plan. SH and participating affiliates are not liable for any taxes, tax penalties or interest owed by Participants, or Participants’ estates, as a result of severance pay benefits or other benefits provided pursuant to the Plan.

V. **STATEMENT OF ERISA RIGHTS**

The following statement of ERISA rights is required by federal law and regulation.

As a participant in the Sutter Health Severance Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

**Receive Information About Your Plan and Benefits**

ERISA provides that all plan participants shall be entitled to:

1. Examine, without charge, at the Plan Administrator’s office, all documents governing the Plan, and a copy of the latest annual report (Form 5500 Series), if any, filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration. Plan documents are also available for your review, without charge, at your local human resources department.

2. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including collective bargaining agreements, and copies of the latest annual report (Form 5500 Series), if any, and an updated SPD. The administrator may make a reasonable charge for the copies.

**Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.
Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. (Note, before filing suit for denial of a claim you must exhaust the Plan’s claim procedures. See paragraph L, Claims for Benefits, in Article IV.) In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

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

Effective May 1, 2012

Adolescent Treatment Centers, Inc (dba Thunder Road Chemical Dependency)
390 40th Street
Oakland, CA 94609

East Bay Perinatal Center (dba Alta Bates Perinatal Center)
350 30th St Ste 205
Oakland, CA 94609

Eden Medical Center
20103 Lake Chabot Rd.
Castro Valley, CA 94546

Health Ventures, Inc.
350 Hawthorne Ave.
Oakland, CA 94609

Samuel Merritt University
450 30th St., Suite 2840
Oakland, CA 94609

Sutter Central Valley Hospitals
1700 Coffee Rd.,
Modesto, CA 95355

Sutter Coast Hospital
800 E. Washington Blvd.
Crescent City, CA 95531

Sutter Connect, LLC (dba Sutter Physician Services)
10470 Old Placerville Rd, Ste 100
Sacramento, CA 95827

Sutter East Bay Hospitals
2450 Ashby Ave.
Berkeley CA 94705

Sutter East Bay Medical Foundation
2450 Ashby Avenue
Oakland, CA 94705
Sutter Gould Medical Foundation
600 Coffee Road
Modesto, CA 95355

Sutter Health Sacramento Sierra Region
2800 L Street, 7th Floor
Sacramento, CA 95816

Sutter Medical Foundation
2800 L Street, 7th Floor
Sacramento, CA 95816

Sutter Visiting Nurse Association and Hospice (dba Sutter Care at Home)
1900 Powell Street, Suite 300
Emeryville, CA 94608

Sutter West Bay Hospitals
633 Folsom Street, 7th Floor
San Francisco, CA 94107

Sutter West Bay Medical Foundation
2015 Steiner Street, 1st Floor
San Francisco, CA 94115

Effective June 1, 2012

Sutter Outpatient Services
2200 River Plaza Drive
Sacramento, CA  95833