



The St. Dominic Health Services, Inc. Retirement Plan

Plan Today...

For a Secure Tomorrow



St. Dominic Health Services, Inc.

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This guide contains information about the retirement plan available to you through St. Dominic Health Services, Inc. However, it is not an official legal document. If for any reason there is a discrepancy between the information in this guide and the official plan document, the plan document will govern. The official plan document is available for you to review upon request from Employee Benefits by calling (601) 200-6734.

Plan Today...For a Secure Tomorrow

In fulfilling the mission of our ministry by serving our community, we feel fortunate to have such a talented and dedicated workforce. In turn, we are committed to rewarding your loyalty and long service by partnering with you to help build your financial future.

As you progress through your professional career, you also have personal financial goals which likely include planning a secure retirement. Retirement income will come from a number of different sources such as St. Dominic-sponsored plans, Social Security benefits and personal savings and investments.

We are pleased to offer our employees a generous retirement plan **funded completely by St. Dominic Health Services**. In fact, our retirement plan is better than most corporate plans and includes several payment options and survivor benefits.

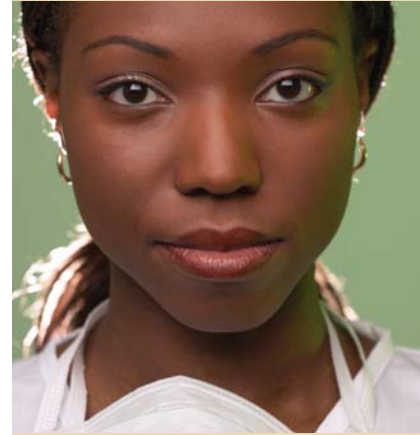
One of the ways St. Dominic helps you meet your goals is by setting aside money for you in the Retirement Plan for employees of St. Dominic Health Services, Inc. Not only does St. Dominic pay the entire cost, the amount of your benefit at retirement continues to grow the longer you work for St. Dominic.

St. Dominic also gives you the opportunity to save tax-free money in the 403(b) Tax-Deferred Savings Plan. To learn more about the Tax-Deferred Savings Plan, contact the Employee Benefits Department by calling (601) 200-6711.

This guide will help you understand the Retirement Plan and how you can use it in combination with your other sources of retirement income to help you meet your future financial goals. We encourage you to read this guide and talk to the Employee Benefits staff if you have any questions.

Defined Benefit Plan...The Definition

The Retirement Plan is a defined benefit plan which means it is designed to provide you with a stable income in your later years. St. Dominic is responsible for making sure there is enough money in the Retirement Plan to pay for the benefits you and your co-workers earn. This means that St. Dominic bears the investment risk of how the financial markets perform.



Retirement Plan At-A-Glance

Eligibility	After one year of employment, you are eligible to participate in the Retirement Plan if you are at least 21 years old, and you have been paid for at least 1,560 hours in your first year of employment.
Cost	St. Dominic pays the full cost of the Retirement Plan — you do not make contributions.
Formula	St. Dominic will calculate your benefit using a formula that considers your pay and length of service.
Vesting	You will become 100% vested in the Retirement Plan after five years of vesting service (paid at least 1,560 hours per calendar year). For persons hired before January 1, 2007, you will become 100% vested at the earlier of attaining five years of vesting service or reaching age 65.
When You Can Receive a Benefit	There are various options for receiving your benefit when you leave St. Dominic.
How Benefits Are Paid	You have the option to choose from a variety of monthly payment options (also known as annuities).
Naming a Beneficiary	You may designate a beneficiary to receive your benefit in the event of your death. If you are married, your spouse is considered your beneficiary, unless you formally change this designation.
Survivor Benefits	Your accrued benefit is paid to your surviving spouse or other designated beneficiary if you die after you're vested.
Disability Benefits	If you become fully disabled after you become a participant in the Retirement Plan, you may be eligible to begin receiving retirement benefits before you reach age 65 and after five years of service for persons hired on or after January 1, 2007.
Withdrawals and Loans	Because St. Dominic set up the Retirement Plan to help you plan for your future financial security, withdrawals or loans from the Retirement Plan are not available.

Participation

Eligibility to Participate

You become a participant in the Retirement Plan automatically if:

- n You are an employee of St. Dominic Health Services, Inc. or one of its subsidiaries who has adopted the Retirement Plan including:
 - n St. Dominic – Jackson Memorial Hospital,
 - n Community Health Services, Inc., and
 - n St. Catherine's Village, Inc.
- n You are at least 21 years old;
- n You have completed at least one year of employment; and
- n You are paid 1,560 hours or more in your first year of employment.

St. Dominic designed the Retirement Plan to provide benefits to those who have long and continuous service before leaving to start a new career or retire. As you work for St. Dominic, you continue to earn years of credited and vesting service.

Vesting

Vesting refers to your ownership rights to a pension benefit. You will receive one year of vesting service for each plan year you are paid at least 1,560 hours. If you were hired on or after January 1, 2007, you must have five years of vesting service to be 100% vested, regardless of your age. If you were hired before January 1, 2007, you will be 100% vested at the earlier of reaching age 65 or attaining five years of vesting service.

If you are vested and you leave St. Dominic, you will receive the accrued value of your retirement later in life (see the When You Can Receive Your Benefit section), but you may not take your accrued benefit with you to another employer. If you leave prior to becoming 100 percent vested, you will not receive a benefit from the Retirement Plan.

Years of Vesting Service	Vested Percentage
Less than 5	0%
5 or more	100%

Breaks in Service

If you have not earned a vested benefit under the Retirement Plan (see If You Leave Before Retirement section), you will lose your years of vesting service and credited service if you have a break in service. A break in service occurs when you terminate employment and have less than 501 hours of service for the plan year. If you are later re-employed, however, your years of vesting service and credited service may be reinstated under the conditions described in the Re-employment After Termination section.

You will not be considered to have a break in service in the plan year in which you become a participant, or if you die, retire or suffer a disability. Further, your service will not be considered terminated for approved leaves of absence such as illness or military service and for maternity and paternity leaves of absence in the case of the birth or adoption of a child.

Leaves of Absence

If you are on a leave of absence due to military service, your service will not be considered terminated as long as you return to employment within 60 days from your date of discharge from the military. If you are on a leave of absence as defined by the Family and Medical Leave Act of 1993, your service will not be considered terminated as long as you return to employment at the end of the defined leave period.

Hours that count...

An hour of service is an hour for which you are entitled to be paid by St. Dominic. This includes hours actually worked as well as certain periods when you are not at work. These non-working hours include paid time off for vacation and holidays, illness, military leave and certain leaves of absence.

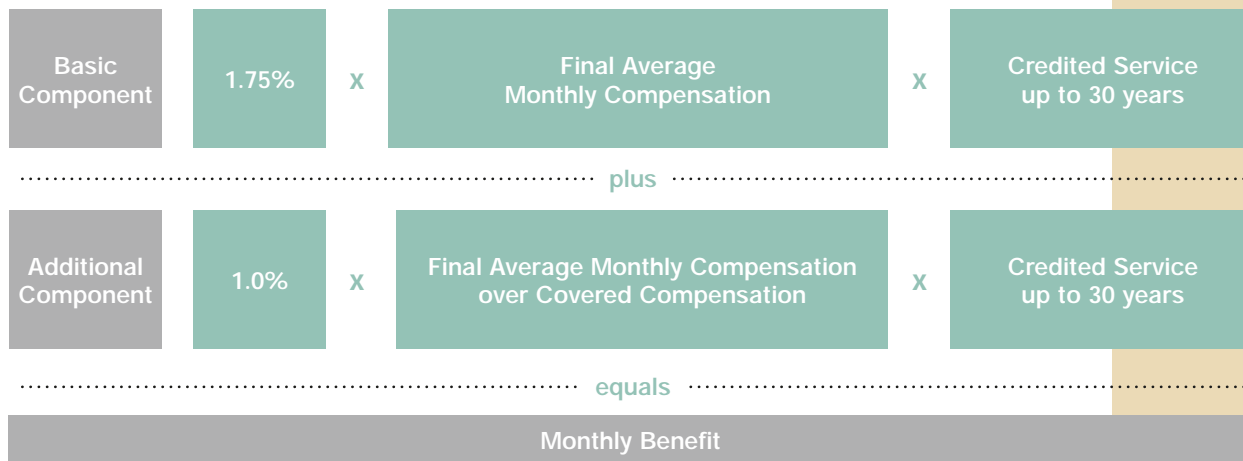
Non-Benefit Registered Nurses

Non-benefit registered nurses will no longer participate in the retirement plan. Any benefits earned by December 31, 2006 will not be affected and the usual retirement plan rules will apply. (Non-benefit registered nurses are those who voluntarily have elected to waive their benefits in order to receive a higher hourly pay rate.)

Calculating Your Benefit

The Formula

The Retirement Plan offers a benefit based on a set formula that considers your pay and length of service. At normal retirement (age 65), St. Dominic will calculate your benefit as follows:



Final Average Monthly Compensation

Your final average **monthly** compensation is the monthly average of your highest five consecutive calendar years of pay out of your last ten years of service.

Covered Compensation

Simply said, covered compensation is the average maximum amount of pay recognized for Social Security benefits. Your salary may or may not exceed this amount.

In more detail, covered compensation is the monthly average of your Social Security taxable wage during the 35 years up to and including the year you reach your Social Security normal retirement age. The IRS Covered Compensation table for the year during which you leave St. Dominic is used to determine the amount of your covered compensation. Your Social Security normal retirement age depends on the year in which you were born.

Credited Service

After January 1, 2007, you will receive one year of credited service for each plan year you are paid at least 1,560 hours — beginning with your date of hire. In addition, partial credit may be granted for your year of hire¹ and year of termination. Before January 1, 2007, credited service was awarded for each plan year in which you worked at least 1,000 hours.

Pay That Counts

The Retirement Plan considers any pay that is included on your Federal W-2, up to IRS limits.

A Note About Service Prior to 1976

Part-time service prior to 1976 is excluded from credited service. For example, Jane was hired part-time in 1974 and has continued to work part-time. In 1974 and 1975, Jane was not eligible to receive credited service even though she was paid for at least 1,000 hours in each of those years.

However, due to changes in the Plan's rules, Jane began receiving credited service (as a part-time employee) toward the Retirement Plan in 1976 as long as she was paid at least 1,000 hours in each plan year.

Starting in 2007, she will need to work at least 1,560 hours to receive credited service.

¹ Part-time service prior to 1976 is excluded from credited service. See note at right for more information.

When You Can Receive Your Benefit

If you are vested, you are eligible to receive benefits after you stop working for St. Dominic Health Services, Inc. and meet certain age requirements. These are the types of retirement:

- n Normal Retirement
- n Early Retirement
- n Delayed or Late Retirement
- n Disability Retirement

In addition, if you leave St. Dominic after you are vested but before normal retirement age, you will still be able to receive your accrued benefit. See the **If You Leave Before Retirement** and **Re-employment After Termination** sections for more information.

Normal Retirement

If you have completed at least five years of vesting service AND reached age 65 (normal retirement age under the Retirement Plan), and leave St. Dominic, you can choose to receive an unreduced normal retirement benefit from the Retirement Plan. If you were hired before January 1, 2007, your normal retirement age is 65, even if you have not completed five years of vesting service.

Example:

Mary is 65, has 20 years of credited service and retires on July 1, 2007. Her final average monthly compensation is \$5,000. Her Covered Compensation is \$4,485. Mary's monthly normal retirement benefit will be \$1,853.

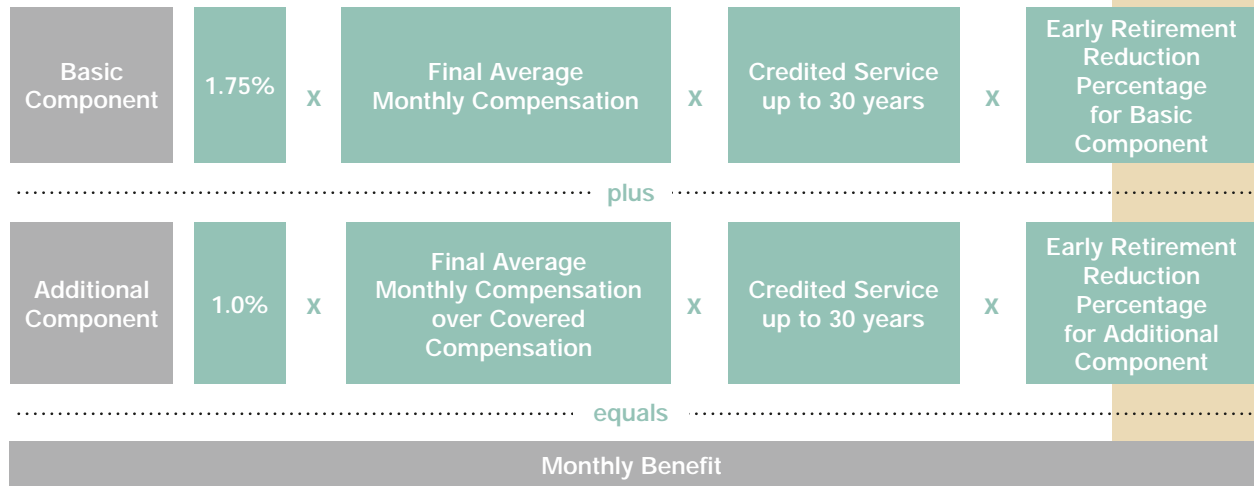
Basic Component	1.75%	X	\$5,000 Final Average Monthly Compensation	X	20 years Credited Service up to 30 years	=	\$1,750
..... plus							
Additional Component	1.0%	X	\$5,000 - \$4,485 = \$515 Final Average Monthly Compensation over Covered Compensation	X	20 years Credited Service up to 30 years	=	\$103
..... equals							
\$1,853 Monthly Benefit							

Remember, your benefit will be reduced if you choose a payment method that provides continuing benefits for your beneficiary after your death. See the **How Benefits Are Paid** section for details.

Early Retirement

If you have at least 15 years of credited service when you leave St. Dominic, you can choose to begin your retirement benefit at any time after you reach age 55 (this is called early retirement). If you decide to take early retirement (and begin to receive your retirement benefit before age 65), your retirement benefit will be reduced from normal retirement because you receive the money earlier and you are expected to receive more payments.

If you take early retirement from the Retirement Plan, St. Dominic will calculate your annual benefit according to the following formula:



The early retirement percentages used in the formula are below:

Early Retirement Reduction Percentage for Basic Component		Early Retirement Reduction Percentage for Additional Component	
Basic Component (1.75%)		Additional Component (1.0%)	
Age When Benefits Start*	% of Normal Retirement Benefit	Age When Benefits Start*	% of Normal Retirement Benefit
64	97.0%	64	93.3%
63	94.0%	63	86.7%
62	91.0%	62	80.0%
61	88.0%	61	73.3%
60	85.0%	60	66.7%
59	81.7%	59	63.3%
58	78.3%	58	60.0%
57	75.0%	57	56.7%
56	71.7%	56	53.3%
55	68.3%	55	50.0%

* The percent of Normal Retirement Benefit you would receive varies with your age on a monthly basis. For example, if you are age 63-1/2, the Basic Component would be 95.50%.

Keep in mind that your benefit will be reduced again if you choose a payment method that provides continuing benefits for your beneficiary after your death. This reduction is in addition to the reduction for early retirement. See the **How Benefits Are Paid** section for details.



Example:

Stan is 57, has 15 years of credited service and retires on December 1, 2007. His final average monthly compensation is \$6,500. His covered compensation is \$5,972. Stan's monthly early retirement benefit will be \$1,325.

Basic Component	1.75%	X	\$6,500 Final Average Monthly Compensation	X	15 Credited Service up to 30 years	X	75.0% Early Retirement Reduction Percentage for Basic Component	=	\$1,280
 plus								
Additional Component	1.0%	X	\$6,500-\$5,972 = \$528 Final Average Monthly Compensation over Covered Compensation	X	15 Credited Service up to 30 years	X	56.7% Early Retirement Reduction Percentage for Additional Component	=	\$45
 equals								
\$1,325 Monthly Benefit									

Delayed or Late Retirement

If you work past age 65, you will continue to earn additional retirement benefits. Your benefit will be calculated using the same formula as for normal retirement and you will receive an unreduced benefit. This benefit will not be less valuable than your benefit had you retired at age 65.

Disability Retirement

If you become disabled after you become a participant in the Retirement Plan AND you satisfy the Retirement Plan's definition of total and permanent disability, you will be eligible for disability retirement and may retire before age 65. After January 1, 2007, you must be fully vested (five years of service) to qualify for a disability benefit.

Disability benefits are NOT payable if your disability results from any of the following causes:

- n Excessive and habitual use of drugs, intoxicants or narcotics;
- n Injury or disease sustained while willfully and illegally participating in fights, riots, or civil insurrections, or while committing a felony;
- n Injury or disease sustained while serving in any armed forces;
- n Injury or disease which was diagnosed or discovered after the date your employment was terminated;
- n Injury or disease sustained while working for anyone other than the employer and arising out of that employment;
- n Injury or disease sustained as a result of war or an act of war; or
- n Pre-existing condition at your date of hire, if such condition results in your disability within three years after your last year of employment. A pre-existing condition is any injury or disease for which treatment was rendered within one year prior to your date of hire.

If you retire and leave St. Dominic with a disability retirement benefit, your monthly disability income will be calculated using the greater of:

- n The present value of your accrued pension benefit at your date of disability; or
- n An amount equal to 12 times the value of your final average monthly earnings.

The amount of your benefit depends on your age at the date payments begin and will be paid to you monthly. Your disability retirement income will start after you have been disabled for six months (or after you apply for disability benefits, if later). It is payable either under the Monthly Lifetime Annuity method if you are not married or under the Joint and 50% Beneficiary Annuity if you are married when your payments begin. You may choose another form of payment if your spouse consents in writing.

If you recover before age 65, your disability payments will stop. If you do not return to the active service of St. Dominic Health Service, Inc. and you were vested on your disability retirement date, you will be entitled to your vested termination benefit as of the date of your disability.

If You Leave Before Retirement

We have designed the Retirement Plan to encourage you to stay at St. Dominic for your career. However, if you leave St. Dominic after becoming vested (five years of service) and you do not qualify for a normal, early or disability retirement benefit, you will be entitled to a monthly vested termination benefit starting when you reach age 65 (normal retirement age under the Retirement Plan). You will receive a statement of the amount of income to which you will be entitled when you reach age 65.

The amount of your monthly vested termination benefit will be equal to the accrued benefit you have earned up to the date you leave St. Dominic.

If you have completed at least 15 years of credited service, you may elect to receive your vested benefit as early as age 55. Remember, any benefits you elect to receive before age 65 are reduced to reflect the early start of benefit payments.

If you leave before retirement, this vested benefit provides survivor protection. See the **Survivor Benefits** section for details.

Re-Employment After Termination

If you are vested when you leave St. Dominic and are later rehired, your past years of vesting service and credited service will be reinstated on the date you are re-employed. If you were not vested when you terminated, your past years of vesting service and credited service may be reinstated if you fulfill one of the following conditions:

- n If the period of time from your last break in service to your date of re-employment is less than your years of vesting service as of your most recent break in service; or
- n If the period of time from your last break in service to your date of re-employment is less than five years.

If you do not meet any of the conditions above, your past years of vesting and credited service will not be reinstated. Please see the **Breaks in Service** section for more information.



How Benefits Are Paid

St. Dominic recognizes that your personal and financial needs are unique. As a result, when you retire you will have the chance to choose what type of annuity you want from among several payment options.

An annuity is a form of benefit payment that provides monthly payments for your lifetime. An annuity can also continue for the lifetime of your beneficiary or for a number of guaranteed years depending upon the payment option you choose.

Normal Methods of Payment

You are single: You can receive your benefit in the normal form of payment from the Retirement Plan, which is the Monthly Lifetime Annuity. Under this method of payment, monthly benefit payments will be made for as long as you live. If you are age 50 or older and have attained 10 years of credited service on December 31, 2006, your normal form of payment is the Monthly Lifetime Annuity with 10 Years Guaranteed.

You are married: If you are married when your payments begin, you will normally receive your benefit under the Joint and 50% Beneficiary Annuity as described below. If you wish to choose another form of payment or name a beneficiary other than your spouse, your spouse must consent in writing (notarized) to your election. Under the Joint and 50% Beneficiary Annuity, your benefit payments are adjusted to take into account the protection it provides your beneficiary.

Payment Options

You have four forms of payment from which to choose which are equivalent in value to the normal form of payment:

Monthly Lifetime Annuity (normal form of payment if you are single): This form of payment provides a larger income to you for as long as you live. When you die, benefit payments do not continue to be made to your beneficiary or anyone else.

Monthly Lifetime Annuity with 10 Years Guaranteed: Under this method of payment, you will receive monthly benefit payments during your lifetime. If you die within 10 years after your payments begin, your beneficiary will receive the same monthly income until all 120 monthly payments have been made. This is the normal form of payment for participants who are 50 or older with 10 years of credited service by December 31, 2006.

Joint and 50% Beneficiary Annuity (normal form of payment if you are married): Under this option, you will receive a monthly benefit payment for as long as you live. Following your death, 50% of the monthly amount will be paid to your beneficiary for his or her lifetime. If your beneficiary dies before you, you will continue to receive the same monthly amount that you received during your joint lifetime. Please note that under this option, your benefit payments are adjusted to take into account the protection it provides your beneficiary.

Joint and 2/3 Survivor Annuity: Under this option, you will receive a monthly benefit payment for the joint lifetime of you and your beneficiary. Following the death of *either you or your beneficiary*, 2/3 of the monthly amount will be paid to your survivor for his or her lifetime. Please note that under this option, your benefit payments are adjusted to take into account the protection it provides your survivor. This option is different from the Joint and 50% Beneficiary Annuity in that your payment will also be reduced if your beneficiary dies before you.

Cost of Living Adjustment (COLA)

The St. Dominic Retirement Plan incorporates an annual cost-of-living adjustment, called a COLA. Each year (regardless of the option you elect), your benefit payment will be adjusted on January 1, up to three percent per year, to account for the effects of inflation as measured by the Consumer Price Index.

Get Advice on Taxes

Before you decide which payment option to choose, we encourage you to talk to a tax specialist since different tax consequences may be associated with each selection.

A Word about Taxes

The Retirement Plan has been designed to meet Internal Revenue Code requirements to take advantage of special tax treatment for plans like ours. This means that the benefits you earn are not currently taxable to you. You are taxed only when you actually receive benefits from the Retirement Plan. The taxation depends on when and how your benefits are paid to you.

In general, any payments you receive from the Retirement Plan will be subject to ordinary income tax. Since tax liability depends on a number of individual factors, you should talk with a tax professional — before choosing a form of payment — to help you determine how your taxes will be affected.

Changing Your Payment Option Election or Your Beneficiary

You may change your payment option election or your beneficiary at any time before your benefit payments begin. You may also change your payment option once after your benefit payments start if you provide the Retirement Committee with evidence of your good health and your beneficiary's good health, if applicable. If you are married, however, and your spouse waived the Joint and 50% Beneficiary Annuity or the Joint and 2/3 Survivor Annuity in favor of an alternate joint beneficiary, you must obtain your spouse's written and notarized consent to make the change. All changes or waivers must be completed on forms provided by St. Dominic.

Applying For Benefits

Preparing for Your Financial Future

When you look at the big picture, this is how your financial future should add up:



Each piece plays an important role in your future. St. Dominic is committed to helping you meet your goals by providing you with valuable and competitive benefits. But don't put off planning and saving, because it is ultimately your responsibility to make sure you are prepared for your financial future. Start now by asking yourself some questions:

- n When do I want to retire?
- n How much money am I going to need?
- n What savings and investments do I currently have?
- n What should I do to make sure I am planning and saving adequately for my retirement?

If you delay planning, you will not have the advantage of time—the longer you save and invest, the more opportunity your money has to grow with interest.

How Much is Enough?

Remember, most experts estimate you will need at least 75% of your preretirement income from all retirement income sources to maintain your current lifestyle during retirement.

Plan carefully! The Hospital's benefits staff is available to assist you with retirement planning information.

Steps You Need to Take

Planning for your next phase of life shouldn't be something you do overnight. It is important to allow enough time to make informed decisions about your benefits. The basic checklist below will assist you in making a smooth transition.

Twelve Months or More Prior to Retirement	Six Months Prior to Retirement	Three Months Prior to Retirement
Check your last St. Dominic Retirement Plan benefits statement for accuracy.	Discuss your estimated benefit and payment options with your family and financial advisor.	Complete the appropriate retirement application and supporting documentation from the Employee Benefits Department.
If you are age 62 or older, contact the Social Security Administration to determine what your options are for benefits. Ask them what documents you will need when applying for Social Security benefits.	Re-evaluate the preliminary budget you created six months earlier.	Turn in your application. Your retirement application must be dated and received by St. Dominic prior to your retirement date; otherwise, payments will be delayed.
Contact the Employee Benefits Department for an estimate of your retirement benefit.		Plan your retirement party!
Prepare a preliminary retirement budget, comparing your expenses against the total of your St. Dominic monthly retirement benefit, monthly Social Security benefit, and any other retirement income which may be available to you.		

Written Application

Before you receive your benefits, you must submit an application in writing. You should do this at least 90 days before you want benefits to begin. If you are married, and are electing an optional form of payment, remember to include notarized written consent from your spouse. Contact the Employee Benefits Department for an application form.

After receiving your application, the Retirement Committee will determine the amount of your benefit payable from the Retirement Plan for Employees of St. Dominic Health Services, Inc. and advise you and/or your beneficiary of this amount.

Appeals Procedures

If you disagree with a decision, you or your authorized representative may ask for a review by submitting a written request. Your request should include the issues and comments you feel are important. You may also review pertinent documents if you wish.

In the case of an adverse benefit determination regarding disability benefits, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making such determination, a statement to that effect and a statement that a copy of such criterion will be provided to you free of charge upon your request.

The review process sets the following limits on the amount of time you may take to make your request, and for the Retirement Committee to respond:

Action	Maximum Response Time
Your request for initial review	You should do this 60 days from the date you receive a denial
Initial review decision	90 days after your request
Your request for final review	60 days after review decision
Final decision	60 days after your final request

The Retirement Committee will either approve your claim or explain why your claim is being denied (by referring to specific Retirement Plan provisions) and how applications are reviewed. In special circumstances, the Retirement Committee may notify you and take up to an additional 90 days for its initial review decision or an additional 60 days for its final review decision.

Survivor Benefits

Benefit If You Die While Employed

If you die after you become a vested participant in the Retirement Plan, the value of the benefit that you have earned up to the date of your death (your accrued benefit) will be used to provide a benefit to your designated beneficiary. The value of the benefit will not be less than 12 times your Final Average Monthly Earnings (but not more than 100 times your expected monthly retirement income on your normal retirement date or date of death if later).

This benefit will be paid to your beneficiary in monthly installments and may or may not continue for as long as he or she lives, depending on the payment option your beneficiary chooses. The payment will begin on the first day of the month following your date of death.

Each year, the payment will be adjusted on January 1, up to three percent per year, to account for the effects of inflation as measured by the Consumer Price Index.

If you were employed after January 1, 2007, you must reach five years of vesting service to be eligible for pre-retirement death or disability benefits.

Benefit If You Die After Termination But Before Retirement

If you were vested at the date of your termination, you will not lose the benefits you have earned if you die before you receive any payments. The single-sum value of the pension you earned to your termination date plus interest to the date of your death (if you had not begun to receive any payments) will be used to provide a monthly income to your beneficiary for his or her lifetime.

Benefit If You Die After Becoming Disabled

If you die after your disability retirement payments start, your benefits will stop. The last payment will be the payment immediately preceding your death.



Social Security Benefits

Social Security Benefits will be an important part of your retirement income. So, what do you really need to know about Social Security? The Social Security taxes that you and your co-workers see coming out of each paycheck are used to pay Social Security benefits and Medicare program expenses. You and St. Dominic pay taxes into the system. For example, in the year 2007, you and St. Dominic will each pay 7.65% of your gross salary (6.20% for Social Security and 1.45% for Medicare), up to \$97,500. These amounts change from year to year.

If you earn more than \$97,500 in the year 2007, you continue to pay the Medicare portion of the Social Security tax on the rest of your earnings. The deduction is labeled "FICA" on your pay stub. FICA is the Federal Insurance Contributions Act, the law that authorized Social Security's payroll tax.

Generally, you must work and contribute to Social Security to get benefits. The amount of your Social Security benefit is based on your date of birth, the type of benefit you are applying for (retirement, survivor or dependent) and, most importantly, your earnings, which are generally averaged over time.

The timing of when you can begin receiving your Social Security retirement benefit depends on the year in which you were born. Look at the table below:

Year of Birth	Full Retirement Age	Year of Birth	Full Retirement Age
1937 or earlier	65	1955	66 and 2 months
1938	65 and 2 months	1956	66 and 4 months
1939	65 and 4 months	1957	66 and 6 months
1940	65 and 6 months	1958	66 and 8 months
1941	65 and 8 months	1959	66 and 10 months
1942-1954	66	1960 or later	67

If you are young, don't let this get you down since no matter what your "full" retirement age, you have the option of receiving benefits as early as age 62. Keep in mind though, if you start your benefits early, they are reduced permanently. You need to decide if the advantage of receiving benefits for a longer period of time is a priority over a higher benefit.

You may also decide to continue to work full-time past your Social Security normal retirement age. If you choose to do this, you will generally increase your average earnings, which, in turn will increase your benefit. You will also earn a special credit given to individuals who delay their retirement. Your age and a pre-determined percentage determine this credit.

Economists worry that the present Social Security system cannot adequately sustain a large-sized, aging baby-boom population in the coming decades. It's important to remember that Social Security was never intended to be a complete retirement for anyone! For example, in the year 2006, the average Social Security benefit for a retired worker was approximately \$977 per month. It was approximately \$1,619 for a retired couple.

Why give you all this information? St. Dominic understands that Social Security is only a foundation; personal savings and investments and employer-sponsored retirement and savings plans must build on that foundation in order to provide an adequate retirement income.

Want More Information?

The Social Security Administration has comprehensive booklets and online information about Social Security benefits and how they fit into your total retirement game plan. You can even have a projection of your estimated Social Security benefits sent to you. Call the Social Security Administration and request a personal Earnings and Benefit Estimate Statement (ask for Form SSA 7004). Call the Social Security Administration at: 1-800-772-1213 or visit them online at www.ssa.gov.

Other Important Information You Should Know

Name of the Plan

Retirement Plan for Employees of St. Dominic Health Services, Inc.

Plan Number

64-0303091 (Plan I.D. #001)

Type of Plan

Defined benefit pension plan

Effective Date

January 1, 1968

Plan Year

The Plan Year ends on December 31 of each year.

Plan Sponsor

St. Dominic Health Services, Inc.
969 Lakeland Drive
Jackson, Mississippi 39216-4699
(601) 200-6711

Plan Administrator

St. Dominic Health Services, Inc.
969 Lakeland Drive
Jackson, Mississippi 39216-4699
(601) 200-6711

Plan Trustees

Richard Hickson
Tony Smith
Sister Mary Dorothea Songderoth

Type of Administration

Employer administered

Agent for Service of Legal Process

Retirement Committee or Plan Trustee. The Committee is appointed by the Board of Directors of St. Dominic Health Services, Inc. This committee is responsible for the administration, interpretation and application of the Retirement Plan.

Other Employers Whose Employees are Covered by the Plan

- n St. Dominic – Jackson Memorial Hospital
- n Community Health Services, Inc.
- n St. Catherine's Village, Inc.

Assignment of Benefits

For the protection of your interests and those of your dependents, your benefits under this plan cannot be assigned, sold, transferred or pledged as collateral for a loan. A creditor may not attach your value in the plan as a means of collecting a debt owed by you. Except to the extent permitted by law your benefit in the Retirement Plan cannot be paid to anyone other than you and your named beneficiary.

Funding Medium of Plan

Plan assets are held under the Retirement Trust for Employees of St. Dominic Health Services, Inc. Under this Trust Agreement, the funds are held and invested by the Trustee. Plan benefits are paid directly from the trust fund.

Information Available

As a participant in the St. Dominic Retirement Plan, you may:

- n Examine, without charge at the Plan Administrator's office, all plan documents.
- n Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for copies.
- n Receive a summary of the Retirement Plan's annual financial report.
- n Obtain a statement telling you whether you have a right to receive a benefit at age 65, and if so, what your benefits would be at normal retirement age if you stop working under the Retirement Plan now.

If you have any questions about your Plan, you should contact the Employee Benefits Department by calling (601) 200-6711.

How You Could Lose Your Benefits

You may lose (forfeit) your Retirement Plan benefit if you terminate your employment with St. Dominic Health Services, Inc. before you are vested. Please see the Vesting section for more information.

Qualified Domestic Relations Order

The money in the Retirement Plan's trust fund must be used only for the purpose of providing benefits to Plan participants and their beneficiaries. As a general rule, your benefit cannot be assigned, as described above in the Assignment of Benefits section.

There is an exception to this general rule. The Plan Administrator may comply with a Qualified Domestic Relations Order (QDRO). A QDRO is a decree issued by a court requiring you to pay child support or alimony, or otherwise allocates part of your account balance to your spouse, former spouse, child, or other dependent.

If a QDRO is received by the Plan Administrator, all or a portion of your benefits may be used to satisfy the obligation.

The Plan Administrator will determine the validity of any domestic relations order served upon the Plan.

Plan Amendment and Termination

St. Dominic intends to continue the Retirement Plan indefinitely. However, it reserves the right to amend or terminate the Retirement Plan at any time, in whole or in part, if necessary.

Top-Heavy Provisions

Current law requires that the Plan impose certain provisions to protect participants if the Retirement Plan becomes "top-heavy." A top-heavy plan is one where more than 60% of the total plan benefits are provided for owners, certain officers, shareholders or highly compensated employees (referred to in the Internal Revenue Code as "key employees"). If the Retirement Plan is top-heavy in any year then special minimum benefits and vesting rules may apply for employees and certain restrictions may be placed on key employees for that year. Participants will be notified if this situation occurs.



St. Dominic Health Services, Inc.

969 Lakeland Drive
Jackson, MS 39216