



Traci M. Christian
Special Fiduciary
Singing River Health System Employees' Retirement Plan and Trust

June 6, 2018

**To: All Participants, Retirees and Beneficiaries of the
Singing River Health System Employees' Retirement Plan and Trust**

Dear Plan Participant,

I have had many questions about the “**Return of Employee Contributions**” option which, in April, the Court ordered be made available to current employees of the Health System. Let me begin by saying that I am working as fast as I possibly can in order to make that option available and comply with the judge's order. My goal is to have it made available by the end of July 2018.

That being said, I want to quickly remind you of part of the discussion we had during the Town Hall meeting last month. This option is of a very serious nature and must not be done in haste. It requires serious consideration. The serious nature of making such a choice must be weighed differently for each person involved and requires as much information as can be provided for each individual case. Therefore, we must take some time in order to make sure that everything provided is good and accurate.

The decision to forfeit all Plan benefits in exchange for a return of contributions with interest has lifetime ramifications for those who make it. Before anyone makes this choice, they must be fully aware of their options and what the potential outcome of their decisions may be. Also, there are some legal steps that must be undertaken in order to insure the integrity of the benefits that remain in Fund.

To help give you a better idea of why the estimated time line is set for the end of July, here is a short list of the steps that need to happen before the “Return of Contributions” option can be made available:

1. The legal document which governs the Plan has to be amended to make this option available in the first place. Even though the judge ordered the option to be made available, even he understood that a legal amendment to the Plan would have to take place first. So, I am working with Plan counsel to get this accomplished. Without the proper legal change made first, other parts of the Plan could be affected accidentally, and we certainly don't want that to happen.



2. All plan participants need to receive the information we mentioned above about their own personal benefits and their Plan contributions. That information comes from the Plan administrator, currently Transamerica. I am in the process of asking the Court to allow my firm, McCloud & Associates, to take over this role. It will not only save the Plan money but I believe it will make the ability to produce individual statements much faster. In the meantime, I am also in communication with Transamerica to see if they can help make this process quicker and/or less expensive. As I said before, the goal is the end of July. If it possible to get them out more quickly, we will. If for some unforeseen reason it will take longer, I will let you know as soon as I can.
3. When you receive your packet of information, there will be forms included that allow you to make the election to receive your contributions in a lump sum in exchange for your Plan benefits. These forms will include the option to be paid in cash to you personally, or to move your funds into an Individual Retirement Account so as to avoid paying income tax or excise tax on your distribution right away.
4. Should you choose the “Return of Contributions” option, I anticipate that it will take 2-3 weeks from the time you return your forms to the time that you receive your funds.

I hope the above information has been helpful to you. I will post more as we move through this process. I ask for your patience. I know time is of the essence and I assure you that I am moving on this as quickly as I can.

I am, and will continue to be, working for you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Traci M. Christian'.

Traci M. Christian, EA, MAAA, FCA, MSPA
Special Fiduciary
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