



Banner Health[®]

SUMMARY PLAN DESCRIPTION

**Banner Health
Employees 401(k) Plan**

July 2011

Table of Contents

I.	BASIC PLAN INFORMATION AND DEFINITIONS	2
A.	ACCOUNTS.....	2
B.	ADVERSE BENEFIT DETERMINATION	2
C.	BANNER.....	2
D.	BENEFICIARY	2
F.	DEFERRAL CONTRIBUTIONS	2
G.	DEPENDENT	3
H.	DISABLED EMPLOYEE.....	3
I.	EARLY RETIREMENT AGE.....	3
J.	EMPLOYEE	4
K.	EMPLOYER CONTRIBUTIONS.....	4
L.	ERISA.....	4
M.	HOUR OF SERVICE	4
N.	MATCHING CONTRIBUTIONS.....	4
O.	NORMAL RETIREMENT AGE.....	4
P.	PARTICIPANT	4
Q.	PLAN.....	4
R.	PLAN ADMINISTRATOR	4
S.	PLAN NUMBER.....	5
T.	PLAN SPONSOR	5
U.	PLAN YEAR.....	5
V.	PROFIT-SHARING CONTRIBUTIONS	5
W.	ROLLOVER CONTRIBUTIONS	5
Y.	SERVICE OF PROCESS	5
Z.	TRUSTEE	5
II.	PARTICIPATION	6
III.	CONTRIBUTIONS.....	8
A.	DEFERRAL CONTRIBUTIONS	8
B.	ROTH CONTRIBUTIONS	9
C.	MATCHING CONTRIBUTIONS.....	9
D.	PROFIT-SHARING CONTRIBUTIONS	10
E.	ROLLOVER CONTRIBUTIONS	10
IV.	INVESTMENTS.....	11
A.	INVESTMENTS	11
B.	STATEMENT OF ACCOUNT	11
C.	ERISA §404(C)	11
V.	PARTICIPANT LOANS	13
A.	LOAN APPLICATION	13
B.	LOAN AMOUNT.....	13
C.	NUMBER OF LOANS.....	13
D.	INTEREST RATE.....	13
E.	LOAN REPAYMENTS.....	13
F.	SOURCE OF LOAN PROCEEDS	14
G.	DEFAULT OR TERMINATION OF EMPLOYMENT.....	14
H.	SPOUSAL CONSENT	14
I.	FORMER BTMG, AMC, TVC, SUN HEALTH 401(K), AND NCSC PLAN PARTICIPANTS.....	14

VI.	IN-SERVICE WITHDRAWALS.....	15
A.	HARDSHIP WITHDRAWALS	15
B.	WITHDRAWAL AFTER AGE 59½	15
C.	WITHDRAWAL OF AFTER-TAX CONTRIBUTIONS	16
D.	WITHDRAWAL OF ROLLOVER CONTRIBUTIONS	16
E.	GENERAL RULES.....	16
F.	WITHDRAWALS DURING A PERIOD OF MILITARY SERVICE.....	16
VII.	DISTRIBUTION OF BENEFITS.....	17
A.	ELIGIBILITY FOR BENEFITS.....	17
B.	BENEFITS UNDER THE PLAN	17
C.	BENEFICIARIES	17
D.	FORMS OF BENEFITS UNDER THE PLAN	18
E.	ELIGIBLE ROLLOVER DISTRIBUTIONS	19
F.	WITHDRAWALS AFTER AGE 70½	21
G.	QUALIFIED ROTH DISTRIBUTIONS.....	22
VIII.	MISCELLANEOUS INFORMATION.....	23
A.	BENEFITS NOT INSURED BY PBGC	23
B.	ATTACHMENT OF YOUR ACCOUNT	23
C.	PLAN AMENDMENT.....	23
D.	PLAN TERMINATION	23
E.	INTERPRETATION OF THE PLAN.....	23
IX.	INTERNAL REVENUE SERVICE TESTS.....	24
A.	TOP-HEAVY TESTS	24
B.	LIMIT ON CONTRIBUTIONS.....	24
X.	PARTICIPANT RIGHTS.....	25
A.	CLAIMS FOR BENEFITS.....	25
B.	STATEMENT OF ERISA RIGHTS	26
XI.	SERVICES AND FEES.....	28
A.	INVESTMENT FEES	28
B.	PLAN ADMINISTRATION FEES	28
C.	TRANSACTION-BASED FEES.....	28

SUMMARY PLAN DESCRIPTION

Employees 401(k) Plan

The Banner Health Employees 401(k) Plan (the “Plan”) was adopted as of January 1, 1974. Effective February 1, 2007, the Big Thompson Medical Group, P.C. Employees’ 401(k) Profit-Sharing Retirement Plan (the “BTMG Plan”) was merged into the Plan. The Plan was amended and restated effective as of January 1, 2008, and has been subsequently amended. Effective January 27, 2009, the Sun Health Corporation Savings/401(k) Plan (the “Sun Health 401(k) Plan”), the Tanana Valley Medical-Surgical Group, Inc. 401(k) Savings Plan (the “TVC Plan”), and the Arizona Medical Clinic, Ltd. 401(k) Profit Sharing Plan (the “AMC Plan”) were merged into the Plan. Effective December 31, 2010, the North Colorado Surgery Center, LLC Profit Sharing/401(k) Plan (the “NCSC Plan”) was merged into the Plan. The Plan is intended to be a qualified retirement plan under Section 401(a) of the Internal Revenue Code.

The purpose of the Plan is to assist eligible Employees in saving for retirement. The Plan is for the exclusive benefit of Plan Participants and their beneficiaries.

This booklet is called a Summary Plan Description (“SPD”). It contains a summary of your rights and benefits under the Plan and describes the Plan as amended through July 31, 2011. If you have difficulty understanding any part of this SPD, you should contact the Plan Administrator (identified in Section I, [Basic Plan Information and Definitions](#), on page 4 of this SPD) during normal business hours for assistance.

This SPD is a brief description of the principal terms of the Plan. It is not meant to interpret, extend or change the terms of the Plan in any way, nor does it describe all of the detailed rules that may apply in special circumstances. All rights of Participants and others under the Plan, including decisions with respect to your benefits, are governed in all respects by the detailed terms of the Plan. A copy of the Plan document is on file with the Plan Administrator and all questions should be referred to the Plan Administrator.

Unless specifically mentioned otherwise, the information in this SPD does not apply to employees (and their beneficiaries) who terminated employment before July 31, 2011. Any questions concerning your rights under the Plan must be resolved by reference to the Plan document as in effect at the relevant time. In other words, even if you are a current employee, you may need to refer to a prior or future version of the Plan document and SPD to determine your rights or benefits under the Plan with respect to prior or future periods. **In the event of any discrepancy between the terms of the Plan document and this Summary Plan Description, the Plan document, as in effect at the relevant time, will control.**

I. Basic Plan Information and Definitions

The following are some important facts about the Plan, as well as the definitions of terms that are frequently used in this SPD:

A. Accounts

The Trustee establishes accounts for the purpose of recording Deferral Contributions, Roth Contributions, Matching Contributions, Profit-Sharing Contributions, and Rollover Contributions (collectively, your "Account") made on your behalf and any income, expenses, gains or losses thereon. In addition, your Account includes any catch-up contributions you may make and any after-tax contributions you previously made to the Plan and any related income, expenses, earnings, and losses. The amount held in your Accounts may be referred to as your "Account Balance."

B. Adverse Benefit Determination

An Adverse Benefit Determination is a denial, in whole or in part, of a claim for benefits.

C. Banner

Banner means Banner Health, the employer that sponsors this Plan for the benefit of its eligible Employees. The name, address, and business telephone number of Banner are:

Banner Health
1441 No. 12th Street
Phoenix, AZ 85002
(602) 495-4900

Banner's Federal Identification Number is 45-0233470.

D. Beneficiary

Your Beneficiary is the person or persons (including a trust) that will receive your benefits if you should die.

E. Committee

The Committee is the Banner Health Retirement Plans Advisory Committee that advises the Company with respect to investment and administrative functions.

F. Deferral Contributions

Deferral Contributions are the pre-tax amounts you elect to contribute to the Plan through a salary reduction. (See Section III.A, [Deferral Contributions](#), on page 8 for more information.)

G. Dependent

Your Dependents include any of the following individuals:

- Your legally married spouse.
- Your common-law spouse, if you live in a state that recognizes such marriages. Proof is required.
- Your domestic partner, provided that you submit an affidavit, as well as dependent children of your domestic partner, provided that the children meet the eligibility criteria for dependent children outlined in this Section G.
- Your unmarried children up to age 25 if they are dependent on you for support (whether born to you or legally adopted) or children for whom you are legally responsible to provide health coverage under a qualified medical child support court order.
- Your unmarried stepchildren and children for whom you or your spouse have legal custody/guardianship where, in each case, such children are dependent on you for support and have not reached maximum age. Children of an eligible dependent are excluded unless you or your spouse have legal custody/guardianship. You will need to provide a copy of any court decree or legal documentation.
- Your unmarried children who are at least age 25 who are incapable of self-support because of a continuously disabling mental or physical handicap. You will be required to provide evidence of the continued disability at least annually. You also must provide proof of the disability within one year of the later of:
 - The child's 25th birthday, or
 - The date the incapacity began if the child is over age 25.
- Children are defined as your natural children, children under your legal guardianship, adopted children (including children placed for adoption), stepchildren, and children for whom an order for medical support (QMCSO) is issued. You may obtain, free of charge and upon request, a copy of the procedures used to determine whether a medical support order is qualified.

H. Disabled Employee

A Participant is considered Disabled if he or she satisfies the requirements for benefits under Banner's long-term disability plan or if he or she is considered disabled by the Social Security Administration.

I. Early Retirement Age

You will reach your Early Retirement Age on the first day of the month following your 55th birthday.

J. Employee

The term Employee means any common law employee of Banner or any affiliate of Banner that is a participating employer in the Plan.

K. Employer Contributions

Employer Contributions are the Matching Contributions and Profit-Sharing Contributions that Banner may make to the Plan on your behalf.

L. ERISA

ERISA is the Employee Retirement Income Security Act of 1974, as amended, a Federal law that sets forth the rights of Participants and Beneficiaries covered by the Plan.

M. Hour of Service

You will receive credit for an "Hour of Service" for each hour for which you were paid or entitled to payment from Banner, directly or indirectly, whether or not you performed any services. For example, Hours of Service accumulate during paid vacations and paid holidays. You may also receive credit for Hours of Service during certain leaves, such as sick leave (including disability), maternity leave, military leave, layoff, and absence under an approved leave or under the Family and Medical Leave Act of 1993. During these approved leaves of absence, you will be credited with no more than 501 Hours of Service for any single continuous period in which you perform no duties for Banner.

N. Matching Contributions

Matching Contributions are contributions that Banner makes on your behalf that are based on the amount of your Deferral Contributions. (See Section III.C, Matching Contributions, on page 9 for more information.)

O. Normal Retirement Age

You will reach your Normal Retirement Age on your 65th birthday.

P. Participant

A Participant is (1) an eligible Employee who has satisfied the eligibility requirements and is participating in the Plan, or (2) an individual who is no longer an eligible Employee, but who has an Account under the Plan.

Q. Plan

The Plan is the Banner Health Employees 401(k) Plan as Amended and Restated effective January 1, 2008, and as subsequently amended.

R. Plan Administrator

The Plan Administrator is responsible for the administration of the Plan. The Plan Administrator's duties are specifically identified in the Plan document. The name, address, and business telephone number of the Plan Administrator are:

Banner Health
1441 No. 12th Street
Phoenix, AZ 85002

(602) 495-4900

S. Plan Number

The Plan Number is 002.

T. Plan Sponsor

Banner is the Plan Sponsor.

U. Plan Year

The Plan Year is the twelve-month period ending each year on the last day of December.

V. Profit-Sharing Contributions

Profit-Sharing Contributions are discretionary contributions that Banner may make on your behalf. (See Section III.D, Profit-Sharing Contributions, on page 10 for more information.)

W. Rollover Contributions

Rollover Contributions are amounts you contributed to the Plan that were formerly held in another employer-sponsored retirement plan. (See Section III.E, Rollover Contributions, on page 10 for more information.)

X. Roth Contributions

Roth Contributions are the amounts that you elect to contribute to the Plan on an after-tax basis to your Roth Contribution Account. (See Section III.B, Roth Contributions, on page 9 for more information.)

Y. Service of Process

The Plan's agent for service of legal process is the Plan Administrator. Alternatively, service may be made on the Trustee.

Z. Trustee

The name and address of the Plan's Trustee are:

Fidelity Management Trust Company
82 Devonshire Street
Boston, MA 02109

The Trustee's duties regarding the holding, administration, and management of the Trust's assets are specifically identified in the Trust agreement.

II. Participation

You are eligible to participate in the Plan if you are an Employee who is at least age 18 and are not:

- covered by a collective bargaining agreement,
- a leased employee or independent contractor, or
- a Pay-in-Lieu (PIL), Registry Status, or Traveler Employee.

The Plan is divided into different components: (1) the salary deferral portion, (2) the Roth contributions portion, (3) the employer match portion, and (4) the profit-sharing portion. If you were a Participant in the salary deferral and/or match component on December 31, 2007, you continue to be eligible for such components if you remain an Employee. If you were not eligible to participate in either of those components on December 31, 2007, and you are an Employee, you will be eligible for such components and the profit-sharing component as follows:

- **Salary Deferral Component.** You are eligible to participate in the salary deferral portion of the Plan on the date that you are first considered an Employee.
- **Roth Contributions Component.** You are eligible to participate in the Roth contribution portion of the Plan after you have contributed 4% of your compensation as a pre-tax salary deferral.
- **Employer Match Component.** You are eligible to participate in the employer match portion of the Plan on the first day of the payroll period on or immediately after your one year anniversary of employment with Banner.
- **Profit-Sharing Component.** You are eligible to participate in the profit-sharing component of the Plan on the date on which you complete a “Year of Service.” A “Year of Service” for purposes of initial profit sharing contribution eligibility is the 12-month period that begins on the date that you first perform an Hour of Service (or the subsequent anniversary of that date).

Example: Assume Sue becomes an eligible Employee on June 1, 2008. She will be eligible to participate in the Salary Deferral, Roth and Matching Contribution components of the Plan on the following dates:

<u>Component</u>	<u>Date Eligible</u>	<u>Conditions</u>
Salary Deferral	June 1, 2008	None
Roth Contributions	As soon as administratively feasible after contributing 4% of compensation as a pre-tax salary deferral	None
Matching	First day of payroll period on or after June 1, 2009	None

Note that, if you were previously employed by Big Thompson Medical Group (“BTMG”), Sun Health Corporation (“SHC”), Tanana Valley Medical-Surgical Group, Inc. (“TVC”) Arizona Medical Clinic, Ltd. (“AMC”), or North Colorado Surgery Center (“NCSC”), special participation rules may apply. In addition, your service since your last date of hire with BTMG, SHC, TVC, AMC, and NCSC, respectively, will be counted for purposes of eligibility and vesting service under the Plan. Please contact the Plan Administrator for more information if you think that these rules may apply to you.

III. Contributions

For purposes of computing Contributions under the Plan, as listed below, Banner must first define "Compensation." Your eligible Compensation generally means the amount reportable by Banner on your IRS Form W-2 for a Plan Year, excluding:

- Employer Contributions,
- bonuses,
- the value of stock options granted by Banner to the extent that it is includable in your taxable income,
- severance pay, and
- reimbursements or other expense allowances, fringe benefits (cash and non-cash), moving expenses, deferred compensation, and welfare benefits.

Your Compensation includes any Deferral Contributions you make and any salary reductions you made under Banner's cafeteria plan, 403(b) plan or other similar plan.

Tax laws limit the amount of Compensation that may be taken into account each Plan Year. The maximum amount for the 2011 Plan Year is \$245,000 (this amount may be adjusted each year).

If your initial Plan Year is a partial Plan Year, your Compensation will include the amount you earned during the entire Plan Year.

A. Deferral Contributions

You may elect to contribute a percentage of your eligible Compensation into the Plan on a pretax basis after you satisfy the Plan's eligibility requirements. The percentage of your Compensation that you elect will be withheld from each paycheck and contributed to the Plan on your behalf; the maximum amount that you may elect to defer is 100% of your Compensation. The calendar year legal limit that you may defer in 2011 is \$16,500 (this amount may be adjusted each year).

Your Deferral Contributions belong to you and cannot be forfeited for any reason. However, there are special Internal Revenue Code rules that must be satisfied and may require that the amount of your Deferral Contributions be reduced. If a reduction in your Deferral Contributions is necessary, you will be notified by the Plan Administrator.

Participants who are eligible to make Deferral Contributions under the Plan and who will attain age 50 before the end of the Plan Year may make catch-up contributions. Catch-up contributions are made in addition to Deferral Contributions and are not subject to the limitations discussed above. For the 2011 calendar year, if you are a qualifying Participant, you may make catch-up contributions of up to \$5,500. This amount may be adjusted in future years.

You may elect to begin making Deferral Contributions, or elect to prospectively increase or decrease your Deferral Contributions, as of the next payroll period or as soon as administratively possible, by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET) or by accessing Fidelity NetBenefitssm at <http://netbenefits.non-profits.com>. You do not need to make a separate election to make catch-up contributions. If you are eligible, catch-up contributions will automatically be made on your behalf

when you reach a Deferral Contribution limitation. ***Please contact the Plan Administrator if you do not want to make catch-up contributions.***

You may completely suspend your Deferral Contributions (or catch-up contributions) by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET). Thereafter, you may resume making Deferral Contributions (or catch-up contributions), as of the next payroll period, or as soon as administratively possible, by completing a new election form.

B. Roth Contributions

You may elect to contribute a percentage of your eligible Compensation to the Plan on an after-tax basis to your “Roth Contributions Account” (which is an account established under the Plan for separately tracking Roth elective 401(k) contributions, as well as gains, losses or other charges separately allocated to such account). You may only make Roth Contributions to the Plan after you have contributed at least 4% of your pre-tax Deferral Contributions to the Plan. If you elect to make Roth Contributions to the Plan, the combined total of Roth Contributions and pre-tax Deferral Contributions for the Plan Year may not exceed the limit imposed by the Plan and the Code (i.e., 100% of your compensation and the annual dollar limit imposed by the Code (\$16,500 in 2011)).

As discussed in the Deferral Contributions section in Section III.A above, you may elect to make Roth Contributions to the Plan by payroll deduction (or elect to prospectively increase or decrease such contributions or stop contributing entirely) by contacting Fidelity. New or amended elections will be effective on the first day of a subsequent payroll period or as soon as administratively feasible after that date.

C. Matching Contributions

Banner has elected to make Matching Contributions to the Plan on behalf of eligible Participants in an amount equal to 100% of the first 4% of your eligible Compensation that you contribute to the Plan as Deferral Contributions or catch-up contributions. You will receive Matching Contributions only if you make pre-tax Deferral Contributions or catch-up contributions. If you do not make either of these types of elective contributions, you will not receive any Matching Contributions under the Plan. Because Roth Contributions are only permitted after you contribute at least 4% of your Compensation as pre-tax Deferral Contributions, Banner does not match Roth Contributions.

You will be 100% vested in these contributions when made, but these contributions may be distributed only upon your death, disability, separation from service or termination of the Plan without the establishment of a successor plan. You may not request a hardship withdrawal with respect to these contributions.

If you are a participant in the Sun Health Corporation Pension Plan whose benefit under that plan was frozen as of May 12, 2007, and your Compensation does not exceed certain limits, effective January 1, 2009, you may be entitled to receive a greater share of Matching Contributions under the Plan, which corresponds to the Matching Contributions that you would have received under the Sun Health Corporation Savings/401(k) Plan. Please contact the Plan Administrator for more information if you think that this situation may apply to you.

D. Profit-Sharing Contributions

Each year, Banner may, in its sole discretion, make Profit-Sharing Contributions to all Employees at certain Banner facilities. Any Profit-Sharing Contribution is allocated to the Accounts of eligible Participants who (1) have completed 1,000 Hours of Service during that year and (2) are employed on the last day of the Plan Year. You will be 100% vested in these contributions when made.

The Profit-Sharing Contribution for a particular year is allocated among eligible Participants according to the ratio that each eligible Participant's Compensation for that Plan Year bears to the total Compensation of all eligible Participants for that same Plan Year.

Simplified Example: Suppose during the 2011 Plan Year, the Plan had seven Participants who earned the salaries shown below:

<u>Employee</u>	<u>Salary</u>
Amy	\$20,000
Bill	\$22,000
Carlos	\$26,000
Dawn	\$30,000
Ed	\$36,000
Fran	\$49,000
George	\$57,000
Total Compensation	<u>\$240,000</u>

In the 2011 Plan Year, Banner contributes \$9,600 as a Profit-Sharing Contribution. All Participants work at an eligible facility, were employed on December 31, and completed 1,000 Hours of Service during the Plan Year. Therefore, each Participant is eligible for an allocation of the contribution for the year. Ed will receive an allocation of \$1,440. Ed's allocation percentage is determined by dividing Ed's Compensation (\$36,000) by the total amount of Compensation for all Participants (\$240,000). The result is 15% (\$36,000 divided by \$240,000). Therefore, \$1,440 (15% of the \$9,600 contributed by Banner) will be allocated to Ed's Account.

E. Rollover Contributions

You may roll over amounts held in another employer-sponsored retirement plan or an IRA to the Plan. You may make Rollover Contributions to the Plan only if you have met the Plan's eligibility requirements for Deferral Contributions. The Plan will only accept a rollover to a Roth Contribution Account if it is a direct rollover from another Roth elective deferral account that meets the requirements established by the IRS. If you have questions about Rollover Contributions, contact the Plan Administrator.

IV. Investments

A. Investments

Your Account may be invested in Fidelity Investments mutual funds, Fidelity FundsNet funds, and Non-Fidelity mutual funds. These investment options have been selected by the Committee. You may direct the investments in your Account among the available investment options. If you do not direct the investments in your Account, your Account will be invested in one or more “default” investment options selected by the Committee until you make a specific investment election.

You may transfer funds already in your Accounts to other available investment options at any time by calling Fidelity at 1-800-343-0860 or by accessing Fidelity NetBenefitssm at <http://netbenefits.non-profits.com>. Transactions requested before 4:00 PM (ET) on any business day will be effected as of that day based on the closing price on such business day. Transactions received after 4:00 PM or on a non-business day will be processed as of the opening price of the next business day.

To receive information concerning the value of shares or units in each investment option, you may call Fidelity at 1-800-343-0860 or access Fidelity NetBenefitssm at <http://netbenefits.non-profits.com>. To receive information concerning the value of shares or units of investments in your brokerage account, consult the financial pages of any major newspaper.

The prospectus of each mutual fund available under the Plan from time to time can be received by calling Fidelity at 1-800-343-0860 or by accessing Fidelity NetBenefitssm at <http://netbenefits.non-profits.com>. Please read each prospectus carefully. In particular, you should read the investment objectives, risk and return characteristics and special investment restrictions of each mutual fund, and the description of any transaction fees and expenses which may affect your investment returns (for example, commissions, sales load, deferred sales charge, redemption or exchange fees). The investment objectives, procedures, and restrictions that are set forth in the applicable mutual fund prospectuses are subject to change at any time. Participants with balances in such mutual funds will be notified of any material changes.

B. Statement of Account

Your Account will be updated each business day to reflect any investment earnings or losses on each Fidelity Investments mutual fund in which you are invested. A quarterly statement disclosing the value of your Account will be mailed to you as soon as possible after the end of each calendar quarter (March 31, June 30, September 30, and December 31).

C. ERISA §404(c)

The Plan is intended to qualify as a participant-directed plan under Section 404(c) of ERISA and U.S. Department of Labor regulations. This means that you are responsible for your investment decisions under the Plan, and you have the right to vote any mutual fund proxy based on the number of shares of the mutual fund that you own. The Plan's fiduciaries, including Banner and the Retirement Plans Advisory Committee, are not responsible or liable for any losses which are the direct and necessary result of your

investment decisions and instructions. Additionally, if you have not directed the investment of your Account, the Plan's fiduciaries are not responsible or liable for any losses resulting from investment in any default fund(s) selected by the Committee.

V. Participant Loans

Loans from Accounts under the Plan shall be made available to all qualifying Participants (including terminated Employees) on a reasonably equivalent basis. Loans are not considered distributions and are not subject to federal or state income taxes, as long as they are repaid as required. While you are required to pay interest on your loan, both the principal and interest are reinvested in your Account. Loans will be processed in accordance with the following procedures:

A. Loan Application

The Plan Administrator will administer Plan loans. You may apply for a loan by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET) on any business day. The Plan Administrator is responsible for approving or denying loans. You will incur a set-up fee and annual maintenance fee for your loan.

B. Loan Amount

Your minimum loan amount is \$1,000 (or, if less, the amount determined immediately below).

Your maximum loan amount is the lesser of:

- (a) \$50,000 reduced by the excess (if any) of the highest outstanding balance of your Plan loans during the one-year period ending on the day before the loan is made over the outstanding balance of your Plan loans on the date the loan is made, or
- (b) one-half of your vested Account Balance from Plan components.

All of your loans from plans maintained by Banner will be considered for purposes of determining the maximum amount of your loan. Up to 50% of your Account Balance may be used as security for any loan.

C. Number of Loans

You may have two outstanding loans at any given time. This includes any loan under any other retirement plan maintained by Banner or a member of its controlled group. You may obtain a second loan for the purpose of paying off the existing loan.

D. Interest Rate

Your loans will bear a reasonable rate of interest as determined by the Plan Administrator based on prevailing commercial interest rates. The interest rate will remain the same for the duration of the loan.

E. Loan Repayments

You must repay your loan in level payments. Generally, loan repayments will be automatically withdrawn from your savings or checking account each month. You must provide Fidelity with the information and approval necessary to establish this automatic withdrawal. You will be asked to select the day of the month on which your loan repayments will be made.

If you have a loan outstanding that is currently being repaid out of payroll and you apply for a new loan, your loan repayments for all loans will be through transfers from your savings or checking account. If you do not have a savings or checking account, you may repay your loan through automatic payroll deductions.

The maximum term of any loan is five years. You may prepay your loan without penalty. Special repayment rules may apply if you go on an approved leave of absence. Contact the Plan Administrator if you take a leave of absence to find out if these special rules apply to you.

F. Source of Loan Proceeds

Loan proceeds may be withdrawn from all your Accounts under the Plan. Effective January 1, 2007, loan proceeds will be withdrawn pro rata from your Roth and Deferral Contributions Accounts, to the extent loan proceeds are withdrawn from these Accounts.

G. Default or Termination of Employment

Your loans will be in default if any scheduled repayment remains unpaid at the end of the calendar quarter following the calendar quarter in which the scheduled payment was due or the period specified in the separate loan procedures, if earlier, or if there is an outstanding principal balance existing on a loan after the last scheduled repayment date. Upon default or death, your entire outstanding principal and accrued interest will be immediately due and payable. Additionally, you will be deemed to have received a taxable Plan distribution equal to the outstanding loan balance, whether or not a distribution has occurred. If a loan is outstanding on the date a distribution is to be made from your Account, the balance of the loan or a portion equal to the amount to be distributed will become due and payable.

H. Spousal Consent

If you are married, your spouse's consent is required before the Plan may issue a loan to you.

I. Former BTMG, AMC, TVC, Sun Health 401(k), and NCSC Plan Participants

If you previously participated in the BTMG Plan, the TVC Plan, the AMC Plan, the Sun Health 401(k) Plan, or the NCSC Plan, and you had a loan outstanding as of date that such plan was merged into the Banner Plan, special rules may apply to your loan that was transferred to the Plan. Please contact the Plan Administrator for more information.

VI. In-Service Withdrawals

If you qualify and your request is approved by the Plan Administrator, you may obtain a withdrawal from the Plan while still an Employee, as further described in this Section.

A. Hardship Withdrawals

If approved by the Plan Administrator, you may withdraw your Roth Contributions, Deferral Contributions, and/or catch-up contributions to satisfy any of the following immediate and heavy financial needs (including related taxes and penalties): (1) to pay unreimbursed medical expenses for you or your spouse or Dependents; (2) to purchase your principal residence; (3) to prevent eviction from or foreclosure on your principal residence; (4) to pay for post-secondary educational expenses (tuition, related educational fees, room and board) for you, your spouse or Dependents for the next twelve months; (5) to pay for burial or funeral expenses for your deceased parent, spouse, or Dependent; or (6) to pay expenses for the repair of your principal residence that would qualify for the casualty deduction under Code Section 165. The Plan Administrator will review your request to determine if your need qualifies as a hardship. This is called the "facts and circumstances" test.

In accordance with Treasury Department regulations, you must first exhaust all other assets available to you before obtaining a hardship withdrawal. This includes obtaining a loan from this Plan and any other plan maintained by Banner. Your Deferral Contributions, catch-up contributions, and Roth Contributions to this Plan and to certain other plans sponsored by Banner will be suspended for six months after your receipt of the hardship withdrawal. The minimum hardship withdrawal amount is \$500. The amount of your withdrawal cannot exceed the amount of your immediate and heavy financial need, including any amounts necessary to pay taxes.

You may request the appropriate form by accessing Fidelity NetBenefitssm at <http://netbenefits.non-profits.com> or by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET). Hardship withdrawals will be withdrawn from available investment options in the order established by Banner.

If you are married, your spouse's consent is required before you may receive a hardship withdrawal. Please contact the Plan Administrator for further details.

B. Withdrawal after Age 59½

If you have attained age 59½ and you are an Employee of Banner, you may elect to withdraw your Account Balance. You may request the appropriate withdrawal form by accessing Fidelity NetBenefitssm at <http://netbenefits.non-profits.com> or by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET).

If you are married, your spouse's consent is required. Please contact the Plan Administrator for further details.

C. Withdrawal of After-Tax Contributions

You may withdraw any after-tax contributions you previously made to the Plan at any time. You may request the appropriate withdrawal form by accessing Fidelity

NetBenefitssm at <http://netbenefits.non-profits.com> or by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET).

If you are married, your spouse's consent is required. Please contact the Plan Administrator for further details.

D. Withdrawal of Rollover Contributions

You may withdraw your Rollover Contributions at any time. If you are under age 59½, this distribution may be subject to the 10% federal early withdrawal penalty described below. You may request the appropriate withdrawal form by accessing Fidelity NetBenefitssm at <http://netbenefits.non-profits.com> or by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET).

If you are married, your spouse's consent is required. Please contact the Plan Administrator for further details.

E. General Rules

The amount of any taxable withdrawal, other than a return of your after-tax contributions, will be subject to applicable federal and state income taxes. In general, the amount of any taxable withdrawal that qualifies as an eligible rollover distribution and is not directly rolled over into an Individual Retirement Account (“IRA”) or another employer-sponsored retirement plan will be subject to 20% federal income tax withholding and any applicable state income tax withholding. A 10% federal early withdrawal penalty tax may apply to the amount of your withdrawal if you are under the age of 59½ and do not meet one of the Internal Revenue Code exceptions.

The amount of any withdrawal will be withdrawn from available investment options in the order established by Banner. Consult your Plan Administrator for more information.

F. Withdrawals During a Period of Military Service

If you are called to active military duty for a period of more than 30 days, you may be entitled to withdraw all or a portion of the balance in your Deferral Contribution Account during your active duty period. If you take such a withdrawal, you will be suspended from making additional Deferral Contributions to the Plan for a period of 6 months starting with the date of the withdrawal.

Additionally, if you are a reserve member of the U.S. Armed Forces and you are called to active military duty for a period of more than 179 days (or indefinitely), you may be entitled to receive a “Qualified Reservist Distribution” of all or a portion of your Account attributable to your elective contributions, during your active duty period. Unlike other In-Service Withdrawals, a Qualified Reservist Distribution will not be subject to the 10% federal early withdrawal penalty tax that normally applies to Plan distributions taken prior to age 59 ½.

Please contact the Plan Administrator for more information.

VII. Distribution of Benefits

A. Eligibility For Benefits

If your Account under the Plan becomes distributable because your employment with Banner terminates, or you die, or become disabled or retire, you and your spouse, if applicable, must consent in writing to receive the distribution from the Plan. If you wish to receive a distribution of your Account, your benefits will be distributed to you as soon as reasonably practicable following the date your application for distribution is received by the Plan Administrator. If you do not consent to a distribution, your benefits will remain in the Trust under the Plan until your Required Beginning Date, as discussed under Section VII.F, [Withdrawals after Age 70½](#), on page 21.

The value of your Account Balance will continue to increase or decrease, as appropriate, based on investment returns until distribution. However, no further contributions will be made on your behalf.

You should consult with your tax advisor to determine the financial impact of your situation before you request a distribution. You may obtain the appropriate documentation to request a distribution by accessing Fidelity NetBenefitssm at <http://netbenefits.non-profits.com> or by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET). You must fully complete, sign, and date the appropriate form and return it to the Trustee if you want a distribution from the Plan. The Trustee will review it for completeness and accuracy, and, if approved, process it on the next available processing date. You will be notified by the Trustee if the form is not approved.

B. Benefits Under the Plan

(1). Benefit on Termination of Employment

If you terminate your employment with Banner, you may elect to receive a distribution of your Account Balance from the Plan, as described above.

(2). Death Benefit

If you die while you are a Participant in the Plan and before distribution of your Plan benefits has begun, your Beneficiary or Beneficiaries will be entitled to receive your Account Balance, as described above. See Section VII.D, [Forms of Benefits Under the Plan](#), on pages 18 and 19, for special rules if you are married.

C. Beneficiaries

You may designate the person(s) who will receive your Plan benefits in case you should die. If you are married, your spouse must consent if you want to name someone other than your spouse as your Beneficiary.

If you do not designate a Beneficiary and if you are married, the Plan will automatically consider your spouse to be your Beneficiary. If you do not designate a Beneficiary and you are either unmarried or if your spouse predeceases you, your Beneficiary will be your estate.

If you designate your spouse as your Beneficiary and you later divorce your spouse, your Beneficiary election will automatically be void, unless otherwise required under a qualified domestic relations order. If you would like to keep

your former spouse as your Beneficiary, you must redesignate him or her by resubmitting a beneficiary designation form.

You may request the appropriate designation form by accessing Fidelity NetBenefitssm at <http://netbenefits.non-profits.com> or by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET).

D. Forms of Benefits Under the Plan

These distribution options are available under the Plan:

(1). Lump Sum Distributions

If you select this option, your Account Balance will be paid to you as a single cash distribution. You must consent in writing to this distribution. In addition, if you are married, your spouse's consent is required. Please contact the Plan Administrator for further details.

(2). Installment Distributions

You may select this option, in which case your Account Balance will be paid to you in substantially equal annual or more frequent installment payments. Installment payments first will be made from any Roth Contribution Account that you may have.

You can select the number of installment payments you will receive, but the period over which your Account Balance is distributed cannot exceed your life expectancy. You must consent in writing to this distribution. In addition, if you are married, your spouse's consent is required. Please contact the Plan Administrator for further details.

(3). Purchase of an Annuity

The normal form of payment under this Plan is a life annuity. This means that your Account Balance, as of your annuity starting date, may be used by the Trustee to purchase a single life annuity contract from an insurance company if you are unmarried, or, if you are married, a qualified joint and 50% survivor annuity or 75% qualified optional survivor annuity. You (or you and your spouse, if married) may elect a different form of payment. (The annuity starting date is the first day of the first period for which an amount is payable as an annuity or in any other form under the Plan.) The insurance company will make monthly payments to you for your life based upon the type of annuity purchased. Upon your death, if you are unmarried, all payments will cease and no death benefits will be paid to any other Beneficiaries. If you are married as of the annuity starting date and you do not select a different form of distribution, you will receive your distribution in the form of a joint and survivor annuity, and your spouse, if he/she is still living at your death, will receive 50% of the monthly amount you received. The joint and survivor annuity will stop once your spouse dies.

Any election to waive the qualified joint and survivor annuity and select a different form of payment, must be made in writing by you and your spouse. Your spouse's consent must be witnessed by a Plan representative or a notary public. You can obtain the appropriate waiver election form by calling Fidelity at 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET).

If you are age 35 or older and die while you are still married and employed by Banner, your surviving spouse will be entitled to a qualified preretirement survivor annuity. The Trustee will purchase an annuity contract from an insurance company with at least 50% of your Account Balance that is payable for the life of your surviving spouse. Monthly benefit payments will then be made from the insurance company directly to your spouse for his or her lifetime. You and your spouse may waive the qualified preretirement survivor annuity while you are still alive, upon proper election and by choosing another form of payment or another Beneficiary. After your death, your surviving spouse may elect in writing to receive the distribution in one of the other forms of payment provided under the Plan. Any waiver must be made in writing by your spouse. Your spouse's signature must be witnessed by a Plan representative or a notary public. You can obtain the appropriate waiver election form by calling 1-800-343-0860 between 8:00 AM (ET) and Midnight (ET). Any amount of your Account Balance not used to purchase the qualified preretirement survivor annuity will be distributed to your Beneficiary.

In the case of a joint and survivor annuity, the Plan Administrator must, not less than 30 days and not more than 180 days before the annuity starting date, provide you with a written explanation of: (1) the terms and conditions of a qualified joint and survivor annuity; (2) your right to make, and the effect of an election to waive, the joint and survivor annuity form of benefit; (3) the rights of your spouse; and (4) the right to make, and the effect of, a revocation of a previous election to waive the qualified joint and survivor annuity.

The annuity starting date for a distribution in a form other than a joint and survivor annuity may be less than 30 days after receipt of the written explanation described in the preceding paragraph provided: (a) you have been provided with information that clearly indicates that you have at least 30 days to consider whether to waive the joint and survivor annuity and elect (with spousal consent, which must be in writing and witnessed by a notary public or a Plan representative) a form of distribution other than a qualified joint and survivor annuity; (b) you are permitted to revoke any affirmative distribution election at least until the annuity starting date or, if later, at any time prior to the expiration of the 7-day period that begins the day after the explanation of the joint and survivor annuity is provided to you; and (c) the annuity starting date is a date after the date that the written explanation was provided to you.

E. Eligible Rollover Distributions

(1). Cash Distributions

Any eligible rollover distributions paid by the Trustee directly to you will be subject to mandatory Federal income tax withholding of 20% of the taxable distribution, which will be sent to the IRS as Federal income tax withholding for that year, and you will receive the balance of the distribution. You cannot elect out of this tax withholding, but you can avoid it by electing a direct rollover distribution as described below. This withholding is not a penalty, but rather a prepayment of your Federal income taxes.

(2). Direct Rollover Distribution

As an alternative to a cash distribution paid directly to you, you may request that your entire distribution be rolled directly into a Fidelity IRA, a non-Fidelity IRA (including a Fidelity or non-Fidelity Roth IRA, provided certain requirements are met) or your new employer's eligible retirement plan (if it accepts rollover contributions). Federal income taxes will not be withheld on any direct rollover distribution.

- (a). Rollover to a Fidelity IRA - You must complete a Fidelity Rollover IRA Account application. Attach this application to the completed Fidelity Investments Distribution Form. If you are married, your spouse must also sign the form. After authorizing your distribution, the Plan Administrator will forward this material to the Trustee. Your Account Balance will be transferred to a Fidelity Rollover IRA.
- (b). Rollover to a Non-Fidelity IRA - You must complete a Fidelity Investments Distribution Form and indicate the name and address of the custodian or trustee, and account number for your IRA. If you are married, your spouse must also sign the form. You must provide the Plan Administrator with complete information to facilitate your direct rollover distribution. After authorizing your distribution, the Plan Administrator will forward the form to the Trustee. A check will be issued by the Trustee payable to the IRA custodian or trustee for your benefit. The check will contain the notation "Direct Rollover" and it will be mailed directly to you. You will be responsible for forwarding it on to the custodian or trustee of your rollover IRA.
- (c). Rollover to your New Employer's Retirement Plan - You should check with your new employer to determine if its plan will accept rollover contributions. If allowed, then you must complete a Fidelity Investments Distribution Form and indicate the name, address and plan number of your new employer's retirement plan. If you are married, your spouse must also sign the form. You must provide the Plan Administrator with complete information to facilitate your direct rollover distribution. After authorizing your distribution, the Plan Administrator will forward the form to the Trustee. A check will be issued by the Trustee payable to the trustee of your new employer's retirement plan. The check will contain the notation "Direct Rollover" and it will be mailed directly to you. You will be responsible for forwarding it on to the new trustee of your new employer's retirement plan.
- (d). Rollover of Roth Distribution Accounts - A direct rollover of a distribution from your Roth Contribution Account may only be made to another Roth account under your new employer's retirement plan or to a Roth IRA and may be subject to special IRS rules. Please contact the Plan Administrator for more information.

(3). Rollover to a 403(a) or 403(b) Annuity

You must complete the appropriate documentation and indicate the name and address of the trustee or custodian, and 403(a) or 403(b) annuity account

number. If your distribution is authorized by the Plan Administrator, the Plan Administrator will forward the form to the Trustee for processing. The Trustee will issue a check payable to the 403(a) or 403(b) trustee or custodian for your benefit. The check will contain the notation "Direct Rollover" and it will be mailed directly to you. You will be responsible for forwarding it on to the 403(a) or 403(b) trustee or custodian. If you previously made after-tax contributions to the Plan, your after-tax contributions and any earnings on such contributions may be rolled over to another 403(b) annuity that separately accounts for such contributions.

(4). Combination Cash Distribution and Direct Rollover Distribution

You may request that part of your distribution be paid directly to you and the balance to be directly rolled into an IRA (including a Roth IRA, if certain requirements are met), your new employer's retirement plan (if it accepts rollover contributions), or a 403(a) or 403(b) annuity. Any cash distribution you receive will be subject to the Federal income tax withholding rules referred to in Section E(1) above. Any direct rollover distribution will be made in accordance with Section E(2)(c).

You will pay income tax on the amount of any taxable distribution you receive from the Plan unless it is rolled over into an IRA (including a Roth IRA, if certain requirements are met), your new employer's retirement plan, or a 403(a) or 403(b) annuity. A 10% IRS premature distribution penalty tax may also apply. The 20% Federal income tax withheld under this section may not cover your entire income tax liability. Consult with your tax advisor for further details.

(5). Beneficiary Rollovers

In the event of your death, your spouse (or other designated beneficiary) may elect to roll over his or her distribution to an IRA (including a Roth IRA, if certain requirements are met). Please contact the Plan Administrator for more information.

F. Withdrawals after Age 70½

You are required to begin to receive minimum distributions from the Plan by April 1st of the calendar year following the calendar year in which you attain age 70½ or you retire, whichever is later. This April 1st is known as your "Required Beginning Date." You must then continue to receive minimum distributions from your Account each year from the Plan. The amount of your minimum distributions is based on several factors, and you should contact your Plan Administrator for more details.

G. Qualified Roth Distributions

You will not be taxed on any distribution from your Roth Contribution Account if the distribution is a qualified Roth distribution, as defined by the IRS. Generally, a qualified distribution is one that occurs after a five-year period of participation and that either (i) is made on or after the employee attains the age of 59½ or after the employee's death or (ii) is attributable to the employee being disabled.

VIII. Miscellaneous Information

A. Benefits Not Insured by PBGC

Benefits provided by the Plan are not insured or guaranteed by the Pension Benefit Guaranty Corporation under Title IV of ERISA because the insurance provisions of ERISA are not applicable to this particular type of plan.

B. Attachment of Your Account

Your Account may not be attached, garnished, assigned or used as collateral for a loan outside of this Plan except to the extent required by law. Creditors (other than the IRS) may not attach, garnish or otherwise interfere with your Account Balance except in the case of a proper IRS tax levy or Qualified Domestic Relations Order (QDRO). A QDRO is a special order issued by a court in a divorce, child support or similar proceeding. In this situation, your spouse (or former spouse) or someone other than you or your Beneficiary, may be entitled to a portion or all of your Account Balance based on the court order. You and your Beneficiaries may obtain, without charge, a copy of the Plan's QDRO procedures from the Plan Administrator.

C. Plan Amendment

Banner reserves the right to amend the Plan at any time and for any reason at its sole discretion. However, no amendment may eliminate certain benefits under the Plan.

D. Plan Termination

Banner has no legal or contractual obligation to continue the Plan. Banner reserves the right to terminate all or part of the Plan at any time in its sole discretion. The Plan Administrator will direct the Trustee to distribute Participants' Account Balances in single lump sum payments to each Participant in accordance with the terms of the Plan, until all assets have been distributed by the Trustee.

E. Interpretation of the Plan

The Plan Administrator has the power and discretionary authority to construe the terms of the Plan and to determine all questions that arise under it. Such power and authority include, for example, the administrative discretion necessary to resolve issues with respect to an Employee's eligibility for benefits, credited services, and retirement, or to interpret any other term contained in Plan documents, including this Summary Plan Description. The Plan Administrator's interpretations and determinations are and will be binding on all Participants, Employees, former Employees, and their Beneficiaries.

IX. Internal Revenue Service Tests

A. Top-Heavy Tests

The Plan is subject to IRS nondiscrimination rules, including a "Top-Heavy" test. Each Plan Year, the Plan Administrator tests this Plan, together with all other qualified plans sponsored by Banner, to make sure that no more than 60% of the benefits are for "Key Employees." If this Plan is Top-Heavy, then Banner may be required to make minimum annual contributions to this Plan, or other plan, for you if you are employed by Banner on the last day of the Plan Year.

B. Limit on Contributions

Federal law requires that amounts contributed by you and on your behalf by Banner for a given Plan Year generally may not exceed the lesser of:

- \$49,000 for 2011 (or such amount as may be prescribed by the Secretary of the Treasury); or
- 100% of your annual Compensation, including any salary reductions to an employer-sponsored cafeteria plan, a 401(k) plan, a simplified employee pension or a tax-deferred annuity.

Employee and employer contributions to this Plan and to any other defined contribution plan sponsored by Banner may not exceed the above limits. If this does occur, then excess contributions in your Account may be forfeited or refunded to you. Income tax consequences may apply to you on any refund. You will be notified by the Plan Administrator if you will be subject to reduced contributions.

X. Participant Rights

A. Claims for Benefits

If you do not receive all of the benefits under the Plan that you believe you are entitled to, you or your authorized representative may file a written claim with the Plan Administrator.

(1). Plan Administrator's Decision

Within 90 days after the receipt of your claim, the Plan Administrator will provide you with written or electronic notice of its decision on the claim. If, because of special circumstances, the Plan Administrator cannot render a decision on your claim within the 90-day period, the Plan Administrator may extend the period in which to render the decision up to 180 days after receipt of the written claim. The Plan Administrator will provide you with a written notice of the extension, before the end of the initial 90-day period, which indicates the special circumstances requiring the extension and the expected decision date. If your claim is denied in whole or in part, the written or electronic notice of the Adverse Benefit Determination will inform you of:

- The specific reasons for the Adverse Benefit Determination;
- The specific provisions of the Plan upon which the determination is based;
- Any additional information or material necessary to perfect the claim and reasons why such information or material is necessary; and
- The right to request a review of the Adverse Benefit Determination, how to request such review, and a statement regarding your right to bring a civil action under Section 502(a) of ERISA.

(2). Request for Review of Adverse Benefit Determination

Within 60 days after the receipt of written or electronic notice of an Adverse Benefit Determination, you or your authorized representative may request in writing that the Plan Administrator review its prior Adverse Benefit Determination. Written issues and comments may be submitted to the Plan Administrator along with the review request. During the 60-day period following notice of the Adverse Benefit Determination, you or your authorized representative may examine the Plan and any other documents upon which the Adverse Benefit Determination is based.

(3). Review of Adverse Benefit Determination

Upon receipt of a request for review of an Adverse Benefit Determination, the Plan Administrator will undertake a full and fair review of your claim and provide you with written notice of its decision within 60 days after receipt of the request for review. If, because of special circumstances, the Plan Administrator cannot make a decision within the 60-day period, the Plan Administrator may extend the period in which to make the decision up to 120 days after receipt of the review request. The Plan Administrator will provide you with a written notice of the extension, before the end of the initial 60-day period, which indicates the special circumstances requiring the extension and the expected decision date.

The written or electronic notice of the Plan Administrator's decision will inform you of the specific reasons for the decision, and the specific provisions of the Plan upon which the decision is based, and a statement regarding your right to bring a civil action under Section 502(a) of ERISA. Except as may be otherwise required by law, the decision of the Plan Administrator on review of the Adverse Benefit Determination will be binding on all parties.

Note that, until you pursue these claims and appeal procedures, you may not go to court to enforce your rights under the Plan.

B. Statement of ERISA Rights

As a Participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants shall be entitled to receive the following information about your Plan and benefits:

- 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) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report. This report shall be posted on the Employers' intranet.

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 or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension 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. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations 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.

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.

XI. Services and Fees

Fees and expenses charged under your Account will impact your savings and fall into three basic categories:

A. Investment Fees

Investment fees are generally assessed as a percentage of assets invested, and are deducted directly from your investment returns. Investment fees can be in the form of sales charges, loads, commissions or management fees. You can obtain more information about such fees from the documents (*e.g.*, a prospectus) that describe the investments available under your Plan.

B. Plan Administration Fees

Plan administration fees cover the day-to-day expenses of your Plan for recordkeeping, accounting, legal, and trustee services, as well as additional services that may be available under your Plan, such as daily valuation, telephone response systems, internet access to Plan information, retirement planning tools, and educational materials. In some cases, these costs are covered by investment fees that are deducted directly from investment returns. In other cases, these administrative fees are paid directly by Banner, or are passed through to the Participants in the Plan, in which case a recordkeeping fee will be deducted from your Account.

C. Transaction-Based Fees

Transaction-based fees are associated with optional services offered under your Plan, and are charged directly to your Account if you take advantage of a particular Plan feature that may be available, such as a Plan loan.

For more information on fees associated with your Account, refer to your quarterly Account statement, or contact