



WORKING TOGETHER. SAVING TOGETHER.

YOUR RETIREMENT PLAN IS ON THE MOVE

Your future is the only one you've got — and we want to help you make the most of it. That's why we're pleased to announce that the Baylor Health Care System (BHCS) Retirement Savings Plan is moving from Aon Hewitt to Empower Retirement effective August 1, 2016.

The reason for this change is to expand your investment options, give you more ways to access and manage your account, and improve your overall retirement planning experience.

As part of the move, we're introducing these great features:

- An enhanced online tool that estimates your monthly income in retirement, including healthcare expenses
- An enhanced investment lineup that includes the JPMorgan SmartRetirement Funds
- Roth rollovers, which will be available August 1, 2016, with Roth contributions available January 1, 2017
- A new phone number with additional automated options to quickly get you to the right place

Together with Empower, we're committed to offering you the help you need to turn your future into the one you want.

See inside for details about the change.





BAYLOR SCOTT & WHITE HEALTH RETIREMENT SAVINGS PLAN

PLAN INFORMATION

The Baylor Scott & White Health Retirement Savings Plan was created as a result of merging the BHCS Retirement Savings Plan and the Scott & White 401(k) Retirement Plan. It is an important part in the integration of Baylor Scott & White Health.

Matching contribution

Baylor Scott & White Health matches 100% of the first 5% of eligible compensation you contribute to the plan. The maximum employer contribution you can receive is 5%. Take full advantage of the company match.

Your contributions

Before-tax 401(k) contributions – You can contribute up to 50% of your eligible compensation on a traditional (before-tax) basis up to the 2016 IRS limit of \$18,000.

After-tax contributions – After-tax contributions will be discontinued effective August 1, 2016.

Roth 401(k) contributions – Roth 401(k) contributions will be accepted in the plan effective January 1, 2017. Roth contributions will be made after taxes and won't reduce your current income tax. However, they won't be taxable when you take a qualified distribution.

You will receive more information around the end of 2016.

Catch-up contributions – If you reach the plan's annual contribution limit and turn age 50 or older at any point during the calendar year, you can make a separate election for additional catch-up contributions of up to \$6,000 in 2016 (IRS limit).



PLAN INFORMATION (continued)

Loans

The Baylor Scott & White Health Retirement Savings Plan continues to offer one general purpose loan and one residential loan across all plans.

As an active employee, your loan payments are deducted from your paycheck. If you separate employment from the company with an outstanding loan balance, you also have the option of repaying the loan directly to Empower.

Periodic payments

If you're a participant currently receiving periodic payments through Aon Hewitt, you will soon receive a separate communication that explains how Empower will handle your payments during the transition.

Beneficiary

Your beneficiary will transfer over; however, once the plan is open, you should verify that your beneficiary designation(s) is accurate.

Please note: You must make a separate beneficiary election for each plan account with a balance.

BAYLOR SCOTT & WHITE HEALTH RETIREMENT SAVINGS PLAN

INVESTMENT OPTIONS AS OF AUGUST 1, 2016

How your Professional Management Program account will transfer

As part of the move to Empower, your Financial Engines Professional Management Program account will transfer as shown below. If you would like your account to transfer differently, contact Aon Hewitt by July 27, 2016, to change your elections for both your current balance and your future contributions (if you are an active employee). You can also make changes after the transition is completed the week of August 15.

If you decide to unenroll from the Financial Engines Professional Management Program on or before July 27, 2016, please visit www.BSWHretirement.com for information on how your account will move to Empower.

In connection with the transfer of assets within the BHCS Retirement Savings Plan Financial Engines Professional Management Program to the Baylor Scott & White Health Retirement Savings Plan, current Financial Engines Professional Management Program plan investments in the investment options indicated below will be liquidated ...

... and the proceeds thereof will be invested in the corresponding investment options indicated below in the Empower Retirement Managed Account, part of the Empower Retirement Advisory Services suite of services

Old fund name	Ticker		New fund name	Ticker
American Century One Choice In Ret Instl	ATTIX	→	JPMorgan SmartRetirement® Commingled Income Fund – CF-B Class	N/A
—	—		JPMorgan SmartRetirement® Commingled 2015 Fund – CF-B Class	N/A
American Century One Choice 2020 Instl	ARBSX	→	JPMorgan SmartRetirement® Commingled 2020 Fund – CF-B Class	N/A
American Century One Choice 2025 Instl	ARWFX	→	JPMorgan SmartRetirement® Commingled 2025 Fund – CF-B Class	N/A
American Century One Choice 2030 Instl	ARCSX	→	JPMorgan SmartRetirement® Commingled 2030 Fund – CF-B Class	N/A
American Century One Choice 2035 Instl	ARLIX	→	JPMorgan SmartRetirement® Commingled 2035 Fund – CF-B Class	N/A
American Century One Choice 2040 Instl	ARDSX	→	JPMorgan SmartRetirement® Commingled 2040 Fund – CF-B Class	N/A
American Century One Choice 2045 Instl	AOOIX	→	JPMorgan SmartRetirement® Commingled 2045 Fund – CF-B Class	N/A
American Century One Choice 2050 Instl	ARFSX	→	JPMorgan SmartRetirement® Commingled 2050 Fund – CF-B Class	N/A
American Century One Choice 2055 Instl	ARENX	→	JPMorgan SmartRetirement® Commingled 2055 Fund – CF-B Class	N/A
SSgA Money Market N	SSMXX	→	Vanguard Federal Money Market Inv	VMFXX
Vanguard Inflation-Protected Securities I	VIPIX	→	Vanguard Inflation-Protected Securities I	VIPIX
GuideStone Funds Medium-Dur Bd Instl	GMDYX	→	Baird Aggregate Bond Inst	BAGIX
—	—		Vanguard Total Bond Market Index I	VBTIX

INVESTMENT OPTIONS AS OF AUGUST 1, 2016 (continued)

Old fund name	Ticker	New fund name	Ticker
—	—	Manulife Strategic Fixed Income	N/A
GuideStone Funds Value Equity Instl	GVEYX	→ Dodge & Cox Stock	DODGX
Vanguard Institutional Index Instl Pl	VIIIX	→ Vanguard Institutional Index I	VINIX
William Blair Growth I	BGFIX	→ Vanguard PRIMECAP Adm	VPMAX
Fidelity Extended Market Index Inv	FSEMX	→ Vanguard Extended Market Index I	VIEIX
American Beacon Mid Cap Value Instl	AACIX	→ PNC Small Cap I	PPCIX
Northern Small Cap Value	NOSGX	→ PNC Small Cap I	PPCIX
AMG TimesSquare Mid Cap Growth Instl	TMDIX	→ PNC Small Cap I	PPCIX
ClearBridge Small Cap Growth I	SBPYX	→ PNC Small Cap I	PPCIX
Fidelity International Index Inv	FSIIX	→ Vanguard FTSE All-World ex-US Index I	VFWSX
MFS International Value R4	MINHX	→ American Funds EuroPacific Growth R6	RERGX
American Funds Europacific Growth R6	RERGX	→ American Funds EuroPacific Growth R6	RERGX

Individual funds — for creating your own portfolio

If you'd like to choose your own funds, consider creating a diversified portfolio that matches your own risk tolerance and investment goals. You should be aware that funds are managed in different styles and that a diversified portfolio includes a range of funds. Diversification does not guarantee a profit or ensure against loss. It is possible to lose money in a diversified portfolio.



INVESTMENT OPTIONS AS OF AUGUST 1, 2016 (continued)

Individual fund	Ticker
Vanguard Federal Money Market Inv	VMFXX
Vanguard Inflation-Protected Secs I	VIPIX
Baird Aggregate Bond Inst	BAGIX
Vanguard Total Bond Market Index I	VBTIX
Manulife Strategic Fixed Income	N/A
Dodge & Cox Stock	DODGX
Vanguard Institutional Index I	VINIX
Vanguard PRIMECAP Adm	VPMAX
Vanguard Extended Market Index I	VIEIX
PNC Small Cap I	PPCIX
Vanguard FTSE All-World ex-US Index I	VFWSX
American Funds EuroPacific Growth R6	RERGX
JPMorgan SmartRetirement® Commingled Income Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2015 Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2020 Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2025 Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2030 Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2035 Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2040 Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2045 Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2050 Fund – CF-B Class	N/A
JPMorgan SmartRetirement® Commingled 2055 Fund – CF-B Class	N/A

For more information about the plan's default investments, including fees and performance information, please see the Qualified Default Investment Alternative notice and fee disclosure included with this announcement.

If you currently participate in a self-directed brokerage account with Aon Hewitt, your assets and investment elections will transfer in kind. You will receive additional information from TD Ameritrade regarding the transfer of your account.

Using the self-directed brokerage option to build your portfolio

Your plan's brokerage option lets you invest in a wide variety of investments (beyond those offered under the plan by plan fiduciaries). Investments available through the brokerage option are not selected by fiduciaries of the plan, and the use of the option is generally intended for more experienced investors who have the time and the knowledge to manage a more sophisticated portfolio.

To open a brokerage account once the Baylor Scott & White Health Retirement Savings Plan opens for full service, log in to your account at www.BSWHretirement.com. From the top navigation bar, click *My Accounts*; then, click on *Brokerage* under the *Investments* header in the left-hand navigation bar. To use the brokerage option, you must have a minimum balance of \$2,500 in your plan account. You can invest 50% of your entire account in brokerage investments. The initial transfer, and subsequent transfers, is a minimum \$1,000. The account is offered through TD Ameritrade for an annual fee of \$60 (charged to your account at \$15 per quarter). Additional fees may apply, depending on trading activity.

Brokerage services provided by TD Ameritrade Inc., member FINRA/SIPC/NFA. TD Ameritrade is a trademark jointly owned by TD Ameritrade IP Company, Inc. and The Toronto-Dominion Bank. All rights reserved. Used with permission. Additional information can be obtained by calling TD Ameritrade at 866-766-4015. TD Ameritrade and GWFS Equities, Inc. are separate and unaffiliated.

IMPORTANT DATES AND CONTACT INFORMATION

July 6-7, 2016

- Information sessions about the transition
- Recorded presentation about the transition available at www.BSWHretirement.com

July 8, 2016

Last day to open a self-directed brokerage account with Aon Hewitt

July 15, 2016

Last paycheck with contributions to Aon Hewitt; will post the week of July 18-22

July 18, 2016, 4 p.m. Eastern (3 p.m. Central) time

Deadline for account requests via paper form

- This is the last day to submit paperwork to Aon Hewitt for requests, like:
 - Request a hardship withdrawal
 - Request a primary residence loan
 - Request a Qualified Domestic Relation Order

July 22, 2016, 4 p.m. Eastern (3 p.m. Central) time

Deadline for account requests via online or phone

- This is the last day to submit online or phone requests to Aon Hewitt, like:
 - Change your contribution amount
 - New enrollment
 - Request a general purpose loan

July 27, 2016, 4 p.m. Eastern (3 p.m. Central) time

The blackout period begins

- This is the last day to contact Aon Hewitt to make changes to your account, like:
 - Change your investments
 - Request a non-hardship withdrawal
 - Request a distribution payment

This is the last day to unenroll from the Financial Engines Professional Management Program

You will have no access to your account during the blackout period, which ends the week of August 15

For those with a self-directed brokerage account, please note the following dates:

July 18, 2016

Last day to liquidate your account if you do not want it to transfer to TD Ameritrade

July 25, 2016

- Last day to conduct a trade
- Last day to transfer between the core and brokerage accounts

Contact

To make changes to your current account, call Aon Hewitt via the Baylor HR Center toll free at 877-44-MY-JOB (877-446-9562).

For Baylor employees: Access YBR via HR WorkWays® at www.hrworkways.com/4myjob@baylor.

For Medco, former employees, alternate payees and beneficiaries with a plan balance: Access Baylor Benefits™ at http://www.ybr.com/benefits/baylor_dc.

To opt out of the default investment process, visit www.BSWHretirement.com or call 844-722-BSWH (2794).

August 1, 2016

Transition period begins

- Your assets transition to Empower
- Payroll deductions and matching contributions will continue during the blackout period (please note that any contributions from your July 29 paycheck will post to Empower, not Aon Hewitt)

There is nothing you need to do at this time

Week of August 15, 2016

Transition period ends

- You gain full access to your retirement account — online and by phone
- You can make requests and changes (deferral elections, loans, hardship withdrawals)



Contact Empower
844-722-BSWH (2794)*

Representatives are available weekdays between 8 a.m. and 7 p.m. Central time.

www.BSWHretirement.com

* Please be aware that Empower will not have any account-specific information until the plan is open.

¿ALGUNA PREGUNTA?

Si usted habla español y tiene alguna pregunta sobre este material o el Baylor Scott & White Health Retirement Savings Plan, llame a Empower a través del 844-722-BSWH (2794) los días hábiles entre 8 a.m. y 7 p.m., Hora del Central.

Si necesita este aviso en español, póngase en contacto con el Departamento de Recursos Humanos.

QUESTIONS?

If you speak Spanish and have questions about this material or the Baylor Scott & White Health Retirement Savings Plan, please call Empower at 844-722-BSWH (2794) weekdays between 8 a.m. and 7 p.m. Central time.

If you require this notice in Spanish, please contact your Human Resources Department.

If you have questions about your general benefits, please call the Baylor HR Center toll free at 877-44-MY-JOB (877-446-9562).

HERE'S WHAT HAPPENS NEXT

The move to Empower will be smooth and easy. You do not need to do anything right now unless you want to make changes to your current account with Aon Hewitt. Once the transfer is complete, you will receive a Welcome Guide with more information about Empower's services and your plan options to help you meet your retirement goals.

You will also receive details on educational sessions, which give you the opportunity to learn about your plan's great features and available resources.

A special note to colleagues not actively employed by a Baylor Scott & White Health affiliated organization

You are receiving this announcement because you have a balance in the Baylor Scott & White Health Retirement Savings Plan. Even though you are not actively contributing to the plan, you can still take advantage of other benefits the plan offers.



IMPORTANT NOTICE CONCERNING YOUR RIGHTS IN THE BAYLOR SCOTT & WHITE HEALTH RETIREMENT SAVINGS PLAN

June 24, 2016

This notice is to inform you that your account in the Baylor Scott & White Health Retirement Savings Plan will transfer to Empower Retirement effective August 1, 2016.

As a result of this change, you will temporarily be unable to check your account balance; transfer or diversify your investments in your Baylor Scott & White Health Retirement Savings Plan account; or obtain a loan, a withdrawal or a distribution. This period, during which you will be unable to exercise these rights otherwise available under the plan, is called a blackout period. Whether or not you are planning retirement in the near future, we encourage you to carefully consider how this blackout period may affect both your retirement planning and your overall financial plan.

The blackout period begins at 4 p.m. Eastern (3 p.m. Central) time July 27, 2016; it is expected to end the week of August 15, 2016. During this time, you will have no access to your retirement account. You will be unable to check your account balance; transfer or diversify your investments; or obtain a loan, a withdrawal or a distribution from your Baylor Scott & White Health Retirement Savings Plan account.

Aon Hewitt, as your current plan provider, may have transaction cut-off dates that are earlier than the beginning of the blackout period. Please see page 7 for important dates relating to this transition.

Before the blackout period begins, it is very important to review and consider the appropriateness of your current investments because you will be unable to transfer or diversify those investments during the blackout period. For your long-term retirement security, you should carefully consider the importance of a well-balanced and diversified investment portfolio, taking into account all your assets, income and investments.

To access your plan account before the blackout period begins, or if you have questions concerning this notice, contact Aon Hewitt as follows:

For Baylor employees

You can access YBR via HR WorkWays® at www.hrworkways.com/4myjob@baylor or call the Baylor HR Center toll free at 877-44-MY-JOB (877-446-9562).

For Medco, former employees, alternate payees and beneficiaries with a plan balance

You can access Baylor Benefits™ at http://www.ybr.com/benefits/baylor_dc or call the Baylor HR Center toll free at 877-44-MY-JOB (877-446-9562).

Once the blackout period ends, Empower will notify you, and you will have full access to your plan account. If you would like to confirm the status of the blackout period, contact Empower at 844-722-BSWH (2794).





Disclosures

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information about investments offered through your plan, you may obtain prospectuses for mutual funds, any applicable annuity contract and the annuity's underlying funds, and/or disclosure documents from your registered representative or plan website. Read them carefully before investing.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

BOND – A bond fund's yield, share price and total return change daily and are based on changes in interest rates, market conditions, economic and political news, and the quality and maturity of its investments. In general, bond prices fall when interest rates rise and vice versa.

INFLATION-PROTECTED BOND – Certain underlying funds invest in inflation-protected bonds (TIPS). Unlike conventional bonds, the principal or interest of TIPS is adjusted periodically to a specified rate of inflation (e.g., Consumer Price Index for all Urban Consumers [CPI-U]). There can be no assurance that the inflation index used will accurately measure the actual rate of inflation.

MID CAP – Equity securities of medium-sized companies may be more volatile than securities of larger, more established companies.

SMALL CAP – Equity securities of small-sized companies may be more volatile than securities of larger, more established companies.

FOREIGN/INTERNATIONAL – Foreign investments involve special risks, including currency fluctuations and political developments.

TARGET DATE – The date in a target date fund's name represents an approximate date when an investor is expected to retire (which is assumed to be at age 65) and/or begins withdrawing money. The principal value of the funds is not guaranteed at any time, including the target date. For more information, please refer to the fund prospectus and/or disclosure document.

ASSET ALLOCATION/BALANCED – Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker-dealers. GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company (GWL&A), Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York, Home Office: NY, NY; and their subsidiaries and affiliates. The trademarks, logos, service marks and design elements used are owned by their respective owners and are used by permission.

This material has been prepared for informational and educational purposes only. It is not intended to provide, and should not be relied upon for, investment, accounting, legal or tax advice.

IMPORTANT: The projections, or other information generated by the Empower Participant Experience regarding the likelihood of various investment outcomes, are hypothetical in nature. They do not reflect actual investment results and are not guarantees of future results. The results may vary with each use and over time.

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The self-directed brokerage account (SDBA) is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDPA.

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A collective fund is not a mutual fund and is exempt from SEC registration. Designed for and exclusively sold to qualified retirement plans and their participants, the funds are not available to individual retail investors.

Whether or not you plan to retire in the near future, you are encouraged to carefully consider how the blackout period may affect your investment selection(s), as well as your overall financial plan.

GWFS Equities, Inc. is not affiliated with Aon Hewitt.

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