

SUMMARY PLAN DESCRIPTION

for the

**FLORIDA HOSPITAL ASSOCIATION
401(k) RETIREMENT PLAN**

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SUMMARY PLAN DESCRIPTION

1) GENERAL

The legal name, address and Federal employer identification number of the Employer are –

Florida Hospital Association, Inc.
306 East College Ave.
Tallahassee, FL 32301-1522

EIN: 59-0690327

The legal name, address and Federal employer identification number of the Participating Employer (related employers) are –

Florida Hospital Association Management Corporation, Inc.
Insurance Benefits, Inc. dba The Farmington Company of Florida
Florida Hospital Research and Education Foundation, Inc.
307 Park Lake Circle
Orlando, FL 32803

EIN: 59-2233660
EIN: 59-3069962
EIN: 59-6151162

2) IDENTIFICATION OF PLAN

The Plan is known as – Florida Hospital Association 401(k) Retirement Plan

The Employer has assigned 001 as the Plan identification number. The plan year is the period on which the Plan maintains its records which is the twelve consecutive month period beginning every January 1 and ending every December 31.

3) TYPE OF PLAN

The Plan is commonly known as a Code Section 401(k) plan. Under this Plan, there is no fixed dollar amount of retirement benefits. Your actual retirement benefit will depend on the amount of your account balance at the time of retirement. Your account balance will reflect the annual allocations, the period of time you participate in the Plan and the success of the Plan in investing and reinvesting the assets of the trust fund. Furthermore, a governmental agency known as the Pension Benefit Guaranty Corporation (PBGC) insures the benefits payable under plans which provide for fixed and determinable retirement benefits. The Plan does not provide a fixed and determinable retirement benefit. Therefore, the PBGC does not include this Plan within its insurance program.

4) PLAN ADMINISTRATOR

The Employer is the Plan Administrator. The Employer has appointed Fran Owens in Tallahassee and Kaye Lynn Mattern in Orlando to assist the Employer with the duties of Plan Administrator. You may contact Fran Owens at (850) 222-9800 and Kaye Lynn Mattern at (407) 841-6230. The Plan Administrator is responsible for providing you and other participants information regarding your rights and benefits under the Plan. The Plan Administrator also has the primary authority for filing the various reports, forms and returns with the Department of Labor and the Internal Revenue Service ("IRS").

The name of the person designated as agent for service of legal process and the address where a processor may serve legal process upon the Plan are -

Florida Hospital Association, Inc.
c/o Fran Owens
306 East College Ave.
Tallahassee, FL 32301-1522

A legal processor may also serve the Trustee of the Plan or the Plan Administrator.

The Plan permits the Employer to appoint a Committee to assist in the administration of the Plan. The Committee has the responsibility for making all discretionary determinations under the Plan and for giving distribution directions to the Trustee. If the Employer does not appoint a Committee, the Plan Administrator assumes these responsibilities. The members of the Committee may change from time to time. You may obtain the names of the current members of the Committee from the Plan Administrator.

5) TRUSTEE/TRUST FUND

The Employer has appointed -

Salomon Smith Barney Corporate Trust Company
824 Market Street, Suite 210
Wilmington, DE 19801

to hold the office of Trustee. The Trustee will hold all amounts the Employer contributes to it in a trust fund. Upon the direction of the Plan Administrator, the Trustee will make all distribution and benefit payments from the trust fund to participants and beneficiaries. The Trustee will maintain trust fund records on a plan year basis.

6) HOURS OF SERVICE

The Plan and this summary plan description include references to hours of service. To become eligible to participate in the Plan, the Plan requires you to complete a minimum number of hours of service during a specified period. The section covering eligibility to participate explains this aspect of the Plan. However, hours of service has the same meaning for all purposes of the Plan.

The Department of Labor, in its regulations, has prescribed various methods under which the Employer may credit hours of service. The Employer has selected the "actual" method for crediting hours of service. Under the actual method, you will receive credit for each hour for which the Employer pays you, directly or indirectly, or for which you are entitled to payment, for the performance of your employment duties. You also will receive credit for certain hours during which you do not work if the Employer pays you for those hours, such as paid vacation.

If an employee's absence from employment is due to maternity or paternity leave, the employee will receive credit for unpaid hours of service related to his leave, not to exceed 501 hours. The Plan Administrator will credit these hours of service to the first period during which the employee otherwise would incur a 1-year break in service as a result of the unpaid absence.

If you are a veteran and are re-employed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with us. If you may be affected by this law, ask your Administrator for further details.

The Employer is a member of a related group of business organizations. The law treats all member of this related group as a single employer for purposes of crediting hours of service. If you work (other hours) for more than one member of the related group (See section (1) for a list of related Employers), you will receive hours of service credit under this Plan to the same extent as if you had worked the other hours for this Employer.

The Employer is also a successor employer to Florida Hospital Association Management Corporation, Inc., Florida Hospital Research & Education Foundation, Inc., Association of Community Hospitals & Health Systems of Florida, Inc., Florida League of Hospitals, Inc. and Florida Hospital Association Information Service and Insurance Benefits, Inc. dba The Farmington Company of Florida. In this respect, the Plan takes into account service of all employees with the predecessor employer for purposes of eligibility to participate in the Plan and for purposes of crediting service for vesting.

7) ELIGIBILITY TO PARTICIPATE

To become a participant, an employee must complete one year of service and attain age 21. You do not have to complete any form for entry into the Plan. You will become a participant on the day you complete the age and service requirement. However, employees who were previously not treated as employees of the Employer but who are reclassified as being employees are not eligible to participate in the Plan.

The Plan defines "year of service" as a 12-month period in which you work 1,000 hours of service for the Employer. The first eligibility service period starts on your first day of employment with the Employer. For example, if you begin work on February 15, 2003 and work 1,000 hours from February 15, 2003 through February 14, 2004, you would enter the Plan on February 14, 2004. After the first 12-month eligibility service period, the Plan will measure your eligibility service period on a plan year basis. On a plan year basis, the second 12-month period would begin with the first plan year starting after your February 15, 2003 employment date (January 1, 2004), and other 12-month periods would be the following plan years. The Plan will need to measure more than one 12-month period, for example, if you do not complete a year of service in the first 12-month period.

The preceding example assumes you are least 21 years of age when the service requirement is completed. If you had not attained age 21 at the completion of the service requirement, then you would become a participant in the Plan on the day you attain age 21.

If you terminate employment after becoming a participant in the Plan and later return to employment, you will re-enter the Plan on your re-employment date.

8) EMPLOYER'S CONTRIBUTIONS

401(k) salary deferral arrangement. This Plan has a "401(k) arrangement" under which you may elect to have the Employer contribute a portion of your compensation to the Plan. The contributions the Employer makes under your election are referred to as "elective deferrals". The Plan Administrator will allocate your elective deferrals to a separate account.

As a participant in the Plan, you may enter into a salary reduction agreement with the Employer. The Plan Administrator will give you a salary reduction agreement form that will explain your salary reduction options. The Employer will withhold from your pay the amount you have agreed to have the Employer contribute as elective deferrals. You may start or change your salary reduction agreement as of any subsequent payroll period. Your salary reduction agreement remains in effect until you revoke the agreement. You may revoke your salary reduction agreement at any time.

The total amount you may defer in any year may not exceed a dollar limit which is set by the IRS. The limit will be increased in future years for cost of living changes, however, the limit for the next four years has been determined as follows:

<u>Applicable Calendar Year</u>	<u>Calendar Year Limit</u>
2003	\$12,000
2004	\$13,000
2005	\$14,000
2006	\$15,000

Catch-up Contributions. If you are age 50 or older in any given year, and the amount of your elective deferrals exceed certain plan defined or IRS limits, you may be eligible to contribute additional elective deferral amounts, known as catch-up contributions, to the Plan. If you attain age 50 before the end of a calendar year, you will be treated as being age 50 as of January 1 of that calendar year. The catch-up contributions, just like the elective deferrals, may not exceed a specific dollar amount determined by the IRS as follows:

<u>Applicable Calendar Year</u>	<u>Calendar Year Limit</u>
2003	\$2,000
2004	\$3,000
2005	\$4,000
2006	\$5,000

Contact the Plan Administrator if you have any questions regarding catch-up contributions.

If your elective deferrals or your catch-up contributions for a particular calendar year exceed the dollar limitation in effect for that calendar year, the Plan will refund the excess amount, adjusted for any earnings (or loss) allocated to that excess amount. If you participate in another "401(k) arrangement" or in similar arrangements under which you elect to have an employer contribute on your behalf, your total elective deferrals from all the plans you participate in may not exceed the dollar limitation in effect for that calendar year. The Form W-2 you receive from each employer for the calendar year will report the total amount of your elective deferrals for that calendar year under that employer's plan. If your total elective deferrals exceed the dollar limitations in effect for that calendar year, you should decide which plan you wish to designate as the plan with the excess amount(s). If you designate this Plan as holding the excess amount(s) for a calendar year, you must notify the Plan Administrator of that designation by March 1 of the following calendar year. The Trustee then will distribute the excess amount(s) to you, plus earnings (or loss) allocated to that excess amount(s).

Compensation. The Plan defines compensation as an employee's total amount of earnings reportable as W-2 earnings for Federal income tax withholding purposes for the plan year. However, taxable fringe benefits are excluded from compensation.

The law limits the amount of salary deferral contributions, excluding catch-up contributions, which the Plan may allocate to your account. This amount generally may not exceed the lesser of; (i) \$40,000 (or such other amount as may be prescribed by law) or (ii) 100% of your compensation.

The contribution allocations described in this Section (8) may vary for certain employees if the Plan is top heavy. Generally, the Plan is top heavy if more than 60% of the Plan's assets are allocated to the accounts of key employees (certain owners and officers). If the Plan is top heavy, any participant who is not a key employee and who is employed on the last day of the plan year, may not receive a contribution allocation which is less than a certain minimum. Usually that minimum is 3%, but if the

contribution allocation for the plan year is less than 3% for all the key employees, the top heavy minimum is the smaller allocation rate. The Plan also may vary the definition of the top heavy minimum contribution to take into account any other plan maintained by the Employer.

9) EMPLOYEE CONTRIBUTIONS

The Plan does not permit you to make employee contributions to the Plan. "Employee after-tax contributions" are contributions made by an employee, for which the employee does not receive an income tax deduction.

10) VESTING IN EMPLOYER CONTRIBUTIONS

You are always 100% vested in any salary deferral contributions you make to the Plan.

11) PAYMENT OF BENEFITS AFTER TERMINATION OF EMPLOYMENT

After you terminate employment with the Employer, the time at which the Plan will commence distribution to you and the form of that distribution depends on whether your account balance, excluding your Rollover Contributions Account, exceeds \$5,000. If you receive a distribution from the Plan before you attain age 59½, the law imposes a 10% penalty on the amount of the distribution you receive to the extent you must include the distribution in your gross income, unless you qualify for an exception from this penalty. You should consult a tax advisor regarding this 10% penalty. This summary plan description makes references to your normal retirement age. Effective January 1, 2004, normal retirement age under the Plan is age 55.

If your account balance, excluding your Rollover Contributions Account, does not exceed \$5,000, the Plan will distribute your account balance to you in a lump sum, as soon as administratively feasible following your termination of employment with the Employer. The Plan does not permit you to receive distribution in any form other than a lump sum if your account balance, excluding your Rollover Contributions Account, does not exceed \$5,000. If you already have attained normal retirement age when you terminate employment, the Plan must make this distribution no later than the 60th day following the close of the plan year in which your employment terminates, even if the normal distribution would occur later.

If your account balance, excluding your Rollover Contributions Account, exceeds \$5,000, the Plan will commence distribution to you at the time you elect to commence distribution. You may elect to commence distribution as soon as administratively feasible following your termination of employment with the Employer. The Plan provides the Trustee an administratively reasonable time to make actual distribution to you.

No later than 30 days prior to your earliest possible distribution from the Plan, the Plan Administrator will provide you with a notice explaining your right to elect distribution from the Plan and the forms necessary to make your election. If your account balance, excluding your Rollover Contributions Account, does not exceed \$5,000, and you do not make a distribution election within 30 days after receipt of the notice, the Plan Administrator will pay you your entire account balance, less 20% withholding, as soon as administratively feasible after the 30 days have expired. If your account balance, excluding your Rollover Contributions Account, exceeds \$5,000 and you do not make a distribution election, the Plan will commence distribution to you on the 60th day following the close of the plan year in which the latest of three events occurs: (1) your attainment of normal retirement age; (2) your attainment of age 62; or (3) your termination of employment with the Employer. However, if

you are more than a 5% owner of the Employer, you may not commence distribution of your account balance later than April 1 of the calendar year following the calendar year in which you attain age 70½, even if you have not terminated employment with the Employer.

For purposes of making a distribution of any portion of your account balance, the Plan refers to the latest valuation of your account balance. The Plan requires valuation of the trust fund, and adjustment of participants' accounts each day the applicable market is open for business. In general, the Plan allocates trust fund earnings, gains or losses for a valuation period on the basis of each participant's opening account balance at the beginning of the valuation period, less any distributions and charges to each participant's account during the valuation period.

Forms of Benefit Payment. If you take a distribution from the Plan on or after July 1, 2004, provided your account balance, excluding your Rollover Contributions Account, exceeds \$5,000, the Plan permits you to elect distribution under any one of the following methods:

- Lump sum.
- A joint and 50% survivor annuity.

See the Plan Administrator for the optional forms of benefit available prior to July 1, 2004. The Plan does not permit you to receive distribution in any form other than a lump sum if your account balance, excluding your Rollover Contributions Account, does not exceed \$5,000.

A joint and 50% survivor annuity means you would receive an annuity for your life and, upon your death, your surviving spouse would receive an annuity for his or her life in an amount equal to 50% of your life annuity. For example, if, under the joint and 50% survivor annuity, a participant was receiving (or would have received) a monthly pension of \$400 at the time of his death, the surviving spouse would receive a monthly pension of \$200 upon the participant's death for the remainder of his or her life. If you are not married at the time benefit payments commence, the joint and 50% survivor annuity simply is a life annuity, meaning you receive an annuity for your life and payments end upon your death.

To provide the joint and 50% survivor annuity, the Trustee would use your account balance to purchase that type of annuity contract from an insurance company. The exact monthly annuity payable to you would depend upon the amount of your account balance and the insurance company's annuity rates at the time of the purchase. No later than 30 days prior to your earliest distribution from the Plan, the Plan Administrator will provide you a written notice explaining the joint and 50% survivor annuity, your waiver rights and the spousal consent requirements. The Plan Administrator will provide you an appropriate form to receive your benefits in the form of a joint and 50% survivor annuity, or to elect not to receive your benefits in that form. In addition, the form will explain the economic effect of taking your benefits in the form of a joint and 50% survivor annuity. The Plan must make any distribution described in Sections (11), (12) and (13) in the form of the joint and 50% survivor annuity if your account balance, excluding your Rollover Contributions Account, exceeds \$5,000, unless you properly elect a different form of payment. If you are married, your spouse must consent in writing to any election not to take a joint and 50% survivor annuity form of payment.

The benefit payment rules described in Sections (11) through (14) reflect the current Plan provisions. If an Employer amends its Plan to change benefit payment options, some options may continue for those participants or beneficiaries who have account balances at the time of the change. If an eliminated option continues to apply to you, the information you receive from the Plan Administrator at the time you are first eligible for distribution from the Plan will include an explanation of that option.

12) PAYMENT OF BENEFITS PRIOR TO TERMINATION OF EMPLOYMENT

Salary deferrals contributions. Prior to your termination of employment with the Employer, you may elect to withdraw all or any portion of your salary deferral contributions:

- after attaining age 59½;
- if you incur a hardship (as described below); or
- if you become disabled.

Hardship distributions. A hardship distribution cannot include earnings on your salary deferral contributions. A hardship distribution must be on account of any of the following:

- (a) Deductible medical expenses incurred by the participant, by the participant's spouse, or by any of the participant's dependents.
- (b) The purchase (excluding mortgage payments) of a principal residence for the participant.
- (c) The payment of post-secondary education tuition, for the next 12-month period, for the participant or for the participant's spouse, or for any of the participant's dependents.
- (d) To prevent the eviction of the participant from his principal residence or the foreclosure on the mortgage of the participant's principal residence.

To qualify for this hardship distribution the participant;

- (a) may not make salary deferrals to the Plan for the 6-month period following the date of their hardship distribution; and
- (b) first must obtain all other available distributions and all nontaxable loans currently available under the Plan.

Rollover contributions. You may withdraw all or a portion of your rollover contributions account balance at any time.

The Plan Administrator will provide you with a withdrawal election form. Other than the withdrawal right described in this Section (12), the Plan, with limited exception, does not permit you to receive payment of any portion of your account balance for any other reason, unless you terminate employment with the Employer.

13) DISABILITY BENEFITS

If you terminate employment because of disability, the Plan will pay your account balance to you in lump sum at the same time as it would pay your account balance for any other termination of employment. However, if your account balance, excluding your Rollover Contributions Account, exceeds \$5,000, the disability distribution rules are subject to any distribution requirements described in Section (11). In general, disability under the Plan means because of a physical or mental disability you are unable to perform the duties of your customary position of employment for an indefinite period which, in the opinion of the Plan Administrator, will be of long continued duration. The Plan

Administrator also considers you disabled if you terminate employment because of a permanent loss or loss of use of a member or function of your body or a permanent disfigurement. The Plan Administrator may require a physical examination in order to confirm the disability.

14) PAYMENT OF BENEFITS UPON DEATH

If you die prior to receiving all of your benefits under the Plan, the Plan will pay the balance of your account to your beneficiary. If the Employer permits the Trustee to purchase life insurance on your life with a portion of your account balance, your account balance also will receive any life insurance proceeds payable by reason of your death.

If your death occurs before you commence distribution of your account balance, the Plan will pay a preretirement survivor annuity to your surviving spouse, unless you waive this annuity benefit, with your spouse's consent, or unless you and your spouse are not married for the one year period ending on your date of death. A preretirement survivor annuity means your surviving spouse would receive an annuity for life. To provide the preretirement survivor annuity, the Trustee would use 50% of your account balance to purchase that type of annuity contract from an insurance company. The exact monthly annuity payable to your surviving spouse would depend upon the amount of your account balance, and the insurance company's annuity rates at the time of the purchase. The Plan Administrator will provide you an appropriate form to elect to have the Plan pay a preretirement survivor annuity or to elect not to have the Plan pay that annuity. The form the Plan Administrator will provide you will explain the economic effect of taking death benefits in the form of a preretirement survivor annuity. Your spouse must consent in writing to any election not to receive a preretirement survivor annuity. If your death occurs after you commence distribution under the Plan, this preretirement survivor annuity coverage does not apply, even if you and your spouse had not waived that coverage, and your surviving spouse's interest in your remaining account balance would be subject to the distribution elections described in Section (11).

After making a reduction for the portion of your account balance used to purchase the preretirement survivor annuity benefit described in the preceding paragraph, the Plan will pay your account balance remaining in the Plan at the time of your death to your designated beneficiary. The Plan Administrator will provide you with an appropriate form for naming a beneficiary. If you are married, your spouse must consent to the designation of any nonspouse beneficiary only if you have waived the preretirement survivor annuity coverage described in the preceding paragraph. The Plan will pay the benefit to your designated beneficiary as soon as administratively practicable after your death. The Plan will pay the benefit to your designated beneficiary, in the form and at the time elected by the beneficiary, unless, prior to your death, you specify the timing and form of the beneficiary's distribution.

15) DISQUALIFICATION OF PARTICIPANT STATUS - LOSS OR DENIAL OF BENEFITS

There are no specific Plan provisions which disqualify you as a participant or which cause you to lose Plan benefits, except as provided in Section (7). In addition, if your Plan benefits become payable after termination of employment and the Plan Administrator is unable to locate you at your last address of record, you may forfeit your benefits under the Plan. Therefore, it is very important that you keep the Employer apprised of your mailing address even after you have terminated employment. Finally, if the Employer terminates the Plan, which it has the right to do, you would receive benefits under the Plan based on your account balance accumulated to the date of the termination of the Plan. Termination of the Plan could occur before you attain normal retirement age. If the Employer terminates the Plan before you receive complete distribution of your benefits, the Plan might make distribution to you before you otherwise would elect distribution. Upon Plan termination, if your account balance,

excluding your Rollover Contributions Account, exceeds \$5,000, you will receive an explanation of your distribution rights.

The termination of the Plan does not permit you to receive a distribution from your Salary Deferral Contributions Account unless: (1) you otherwise have the right to a distribution, as described in Sections (11) and (12); or (2) the Employer does not maintain a successor defined contribution plan. If you are able to receive a distribution only because the Employer does not maintain a successor defined contribution plan, you must agree to take that distribution as part of a lump sum payment of your entire account balance under the Plan. The Trustee will transfer to the successor defined contribution plan any portion of your interest the Plan is unable to distribute to you.

The fact that the Employer has established this Plan does not confer any right to future employment with the Employer. Furthermore, you may not assign your interest in the Plan to another person or use your Plan interest as collateral for a loan from a commercial lender.

16) CLAIMS PROCEDURE

You need not file a formal claim with the Plan Administrator in order to receive your benefits under the Plan. When an event occurs, which entitles you to a distribution of your benefits under the Plan, the Plan Administrator automatically will notify you regarding your distribution rights. However, if you disagree with the Plan Administrator's determination of the amount of your benefits under the Plan or with respect to any other decision the Plan Administrator may make regarding your interest in the Plan, the Plan contains the appeal procedure you should follow. In brief, if the Plan Administrator of the Plan determines it should deny benefits to you, the Plan Administrator will give you written notice of the specific reasons for the denial. The notice will refer you to the pertinent provisions of the Plan supporting the Plan Administrator's decision. If you disagree with the Plan Administrator, you, or a duly authorized representative, must appeal the adverse determination in writing to the Plan Administrator within 75 days after the receipt of the notice of denial of benefits. If you fail to appeal a denial within the 75-day period, the Plan Administrator's determination will be final and binding.

If you appeal to the Plan Administrator, you, or your duly authorized representative, must submit the issues and comments you feel are pertinent to permit the Plan Administrator to re-examine all facts and make a final determination with respect to the denial. The Plan Administrator, in most cases, will make a decision within 60 days of a request on appeal unless special circumstances would make the rendering of a decision within the 60-day period unfeasible. In any event, the Plan Administrator must render a decision within 120 days after its receipt of a request for review. The same procedures apply if, after your death, your beneficiary makes a claim for benefits under the Plan.

17) RETIRED & SEPARATED PARTICIPANT WITH BENEFIT, BENEFICIARY RECEIVING BENEFITS

If you are a retired participant or beneficiary receiving benefits, the benefits you presently are receiving will continue in the same amount and for the same period provided in the mode of settlement selected at retirement. If you are a separated participant with a benefit, you may obtain a statement of the dollar amount of your benefit upon request to the Plan Administrator. There is no Plan provision which reduces, changes, terminates, forfeits or suspends the benefits of a retired participant, a beneficiary receiving benefits or a separated participant's benefit amount, except as provided in Section (15).

18) PARTICIPANT'S RIGHTS UNDER ERISA

As a participant in this Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all Plan participants are entitled to:

- (a) Examine, without charge, at the Plan Administrator's office and at other specified locations (such as work sites and union halls), all documents governing the Plan, including insurance contracts and collective bargaining agreements, 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.
- (b) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, 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.
- (c) 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.
- (d) Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to benefits, the statement will tell you how many more years you have to work to get a right to a benefit. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries Prudent Actions by Plan Fiduciaries. In addition to creating rights for Plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights. If your claim for a benefit is denied or ignored, in whole or in part, 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 Plan 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 or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

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

19) FEDERAL INCOME TAXATION OF BENEFITS PAID

Existing Federal income tax laws do not require you to report as income the contributions allocated to your account. However, when the Plan later distributes your account balance to you, such as upon your retirement, you must report as income the Plan distributions you receive. The Federal tax laws may permit you to report a Plan distribution under a special averaging provision. Also, it may be possible for you to defer Federal income taxation of a distribution by making a "rollover" contribution to your own individual retirement account.

Mandatory income tax withholding rules apply to some distributions you do not rollover directly to an individual retirement account or to another plan. At the time you receive a distribution, you also will receive a notice discussing withholding requirement and the options available to you. We emphasize you should consult your own tax adviser with respect to the proper method of reporting any distribution you receive from the Plan.

20) PARTICIPANT LOANS

This Plan permits loans to participants. Attached to this Summary Plan Description is a copy of the current loan policy.

21) PARTICIPANT DIRECTION OF INVESTMENTS

The Plan permits all participants to direct the investment of their account balance in various investment options chosen for the Plan. The Trustee of the Plan will invest your account balance in accordance with your investment direction. The Plan Administrator will provide you information regarding the investment options that are available for the investment of your account balance. These investment options may be changed at any time. However, you will receive prior notification of any change to the available investment options.

You may change your investment election in the available investment options at any time. The Plan Administrator will provide you information regarding changes to your investment elections. The Plan is intended to comply with Section 404(c) of the Employee Retirement Income Security Act of 1974 ("ERISA") and the regulations thereunder. Thus, to the extent you direct the investment of your Account under the Plan, you are solely responsible for the investment decisions you make and ERISA relieves all Plan Fiduciaries from liability for any losses resulting from your direction of investment. If you desire specific advice as to the investment of your account balance, you should consult an investment advisor.

The value of your account balance is determined on a daily basis. Your account balance is adjusted for investment gains or losses on a daily basis. Please contact the Plan Administrator for further information regarding the directed investment program.

FLORIDA HOSPITAL ASSOCIATION, INC.
401(k) RETIREMENT PLAN
LOAN POLICY

This Loan Policy is adopted by Florida Hospital Association, Inc., the Plan Administrator of the Florida Hospital Association, Inc. 401(k) Retirement Plan (the "Plan"), and is effective as of the date of execution.

Pursuant to Section 10.03[E] of the Adoption Agreement, the Employer has elected to allow the Trustee to make loans to participants from the Plan. This Loan Policy outlines the rules under which this Loan Program shall be administered. Generally, all such loans shall be made in compliance with the Internal Revenue Code of 1986 (the "Code"), the Employee Retirement Income Security Act of 1974 ("ERISA"), and applicable regulations. In addition, the following specific rules shall apply.

1. Administration. The Loan Program will be administered by the Plan Administrator who, subject to the terms of this Loan Policy, shall determine all issues governing its operation, including, but not limited to, the eligibility of participants to receive loans, the terms and conditions of those loans, and the treatment of loans that are in default. Subject to the express provisions of this Loan Policy and the Plan, any determination by the Plan Administrator in conjunction with a loan, shall be made in its sole discretion, and such determinations shall not be overturned unless arbitrary and capricious.

2. Availability of Loans. Loans shall be made available to all participants under the Plan who are parties in interest, subject to the terms and conditions set forth in this Loan Policy. All such loans shall be made without regard to any individual's race, color, religion, sex, age, or national origin.

3. Application for Loans. Participants who are eligible to receive a loan from the Plan may apply for a loan by filing a loan application with the Plan Administrator. The Plan Administrator shall furnish the appropriate documentation to requesting participants. The Plan Administrator may deny any application that is not fully completed.

As a condition to receiving a loan, applicants must agree to pay installments by payroll withholding. No more than two (2) loans per participant may be outstanding at anytime. However, a participant may fully repay an existing loan with the proceeds of a new loan provided that the repayment period of the new loan is either (i) the same or less than the repayment period of the old loan or (ii) no greater than five years. Except as provided in the preceding sentence, the refinancing of an existing loan will not be permitted.

4. Approval/Denial of Loan Applications. The Plan Administrator shall evaluate every loan application to determine whether the applicant is qualified to receive a loan and whether the amount, requirements, and purpose of the requested loan are consistent with the terms of the Code, ERISA, the Plan and the Trust and this Loan Policy. The Plan Administrator shall have the discretion to determine whether the applicant's request for a loan satisfies the requirements of the Plan and Trust and this Loan Policy, and the Plan Administrator's determinations shall be upheld unless clearly arbitrary and capricious.

The Plan Administrator shall respond to each loan application within a reasonable time. If an application for a loan is denied, the Plan Administrator shall indicate the reasons for that denial. In that case, the applicant may request reconsideration of his or her application and may submit additional evidence in support of reconsideration. The Plan Administrator shall then reconsider that application and respond within thirty (30) days of the date the request for reconsideration is received. The determination of the Plan Administrator upon reconsideration shall be conclusive and final.

5. Purpose of Loans.

Loans shall be available for any purpose permitted under the Code and ERISA.

6. Loan Terms.

Maximum Loan Amount. No loan shall exceed (when added to the outstanding balance of all other loans from the Plan to an applicant) the lesser of:

(i) \$50,000, reduced by the excess (if any) of:

(I) the highest outstanding balance of all loans made from the Plan to that applicant during the one year period ending on the day before the date on which the loan is made, over

(II) the outstanding balance of all loans from the Plan to that applicant on the date on which the loan is made, or

(ii) one-half of the vested account balance of that applicant in the Plan.

Minimum Loan Amount. The minimum loan available under this Plan will be \$1,000.

Interest Rate. Loans shall bear a reasonable rate of interest, which shall be commensurate with interest rates charged by persons in the business of lending money under similar circumstances, taking into account similar collateral. Loans shall carry the same interest rate throughout their term.

Repayment Period. All loans made under this Plan shall be repaid within a period of five years, however, any loan used to acquire any dwelling unit that is to be used (determined at the time the loan is made) as the principal residence of the participant must be repaid within a reasonable period of time, not to extend beyond 15 years.

Amortization. The Internal Revenue Code requires that all loans must be amortized in substantially equal payments, made no less frequently than quarterly, over the term of the loan. However, as stated in Section 3 of this Loan Policy, loans shall be repaid through payroll withholding (except as otherwise provided in Section 8 herein) and thus, all loans shall be amortized in substantially equal payments made on a payroll basis.

Loan Disbursements. Loan proceeds shall only be disbursed to participants within a reasonable period of time after the Plan Administrator approves such loan.

Collateral. Loans from this Plan must be secured by the participant's account balance in the Plan and no other collateral may be pledged. The participant must obtain the consent of his or her spouse, if any, in order to use their account balance as security for the loan. Spousal consent shall be obtained no earlier than the beginning of the 90-day period that ends on the date on which the loan is secured by the participant's account. The spousal consent must be in writing, must acknowledge the effect of the loan, and must be witnessed by a notary public. Such consent shall be binding with respect to the consenting spouse or any subsequent spouse with respect to the loan.

7. Prepayments. A prepayment in full of the outstanding loan principal and accrued interest may be made at any time. A partial prepayment shall not be permitted.

8. Leave of Absence, etc. The loan may permit a suspension of payments for a period not exceeding one year which occurs during an approved leave of absence. The Plan Administrator will fix the term for repayments of any loan. However, in no instance will the term of repayment be greater than five (5) years, unless the loan qualifies as a home loan. The Plan Administrator may fix the term for repayment of a home loan for a period not to exceed fifteen (15) years. A "home loan" is a loan used to acquire a dwelling unit which within a reasonable time, the participant will use as a principal residence.

9. Military Service. If a participant separates from service (or takes a leave of absence) from the Employer because of service in the military and does not receive a distribution of his/her account balances, the Plan suspends loan repayments until the participant's completion of military service or until the participant's fifth anniversary of commencement of military service, if earlier. The Employer will provide the participant with a written explanation of the effect of the participant's military service upon his/her Plan loan.

10. Loan Funding. Loan amounts shall be taken from a participant's current account balance. The Plan intends this loan program not to place other participants at risk with respect to their interests in the Plan. In this regard, all participant loans will be administered as a participant directed investment of that portion of the participant's vested account balance equal to the outstanding principal balance of the loan. The Plan will credit that portion of the participant's interest in the Plan with the interest earned on the note and with principal payments received from the participant. Loan repayments will be deposited, on a pro rata basis, in the investment funds chosen by the participant.

11. Loan Processing Costs. The Plan's third party administrator charges certain administrative fees to service participant loans. Documentary stamp taxes are also imposed on participant loans. All loan processing costs and documentary stamp taxes specified in this Section 11 shall be paid by the borrowing participant.

12. Default. A participant shall be deemed to be in default on any Plan loan upon the occurrence of the earliest of the following events:

(a) Termination of the participant's employment with the employer (for any reason) unless such terminated participant repays the outstanding loan balance (plus all accrued interest), in full, within ninety (90) days of termination of employment.

(b) The failure to pay any installment on a loan within ninety (90) days after the due date of that installment.

In the event of default, all amounts payable under the defaulted loan shall be accelerated and shall become due in full on that date. The entire unpaid principal amount and accumulated interest shall thereafter continue to accrue interest at the rate specified for the loan until paid or offset by the Trustee against the participant's account balance. The Trustee shall offset the participant's benefits under the Plan by the amount of the loan when such benefits become otherwise distributable under the terms of the Plan to the participant.

The Plan treats default as a distributable event. Thus, upon default of a loan, the Trustee will offset the defaulting participant's account by the entire outstanding balance of the loan. **Under these circumstances, the outstanding balance of the loan, plus all accrued interest, will be taxable to the defaulting participant. This taxable amount is also subject to the ten percent (10%) pre - mature distribution tax unless such participant has attained age 59 ½ at the time of default.** Such default shall also be reported by the Plan Administrator on the applicable annual report (Form 5500).

13. Participant Loan Rollovers. The Plan shall not accept the "rollover" of the promissory note of a participant loan from a "qualified" plan maintained by another employer.

14. Amendment or Termination. The Plan Administrator may amend or terminate this Loan Policy at any time.

15. Certification of Loan Policy. The Plan Administrator hereby certifies that it has adopted and approved this Loan Policy pursuant to its authority granted under Section 9.04(A) of the Plan.

Date: 1/15/04


Wayne Nesmith

**FLORIDA HOSPITAL ASSOCIATION
401(k) RETIREMENT PLAN**

ACKNOWLEDGMENT OF RECEIPT

I hereby acknowledge receipt of the Summary Plan Description ("SPD") and Loan Policy. I also hereby acknowledge that I have read the SPD and Loan Policy and that I understand the same. I also hereby acknowledge that I understand my rights thereunder and acknowledge that if I do not understand anything contained in the SPD or Loan Policy, that I may ask questions, and that I should direct any questions I may have to my Employer or the individuals specified in the SPD described above.

Date: _____

Participant Name

Participant Signature