



Universidad del Sagrado Corazón Savings Plan

SUMMARY PLAN DESCRIPTION

This document is a summary of the provisions of the Universidad del Sagrado Corazón Savings Plan. In the event of a conflict between this Summary and the Plan Document, the Plan Document shall prevail.

Restated and Amended as of July 1, 2020
Restated and Amended as of July 1, 2021
Revision effective on July 1, 2024

UNIVERSIDAD DEL SAGRADO CORAZON

SAVINGS PLAN

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UNIVERSIDAD DEL SAGRADO CORAZÓN PENSION PLAN

SUMMARY PLAN DESCRIPTION

I. INTRODUCTION

The Universidad del Sagrado Corazón Savings Plan (the “Plan”) was amended and restated in its entirety effective July 1, 2020, to confirm that the Plan has been and continues to be a “church plan” within the meaning of Section 3(33) of the Employee Retirement Income Security Act of 1974, as amended. Accordingly, the Plan is not subject to ERISA. In addition, the Plan is not subject to the U.S. Internal Revenue Code of 1986, as amended, but is subject to the Puerto Rico Internal Revenue Code of 2011, as amended, and to the rules and regulations of the Puerto Rico Department of Treasury. The Plan was amended and restated effective July 1, 2021, to aggregate the amendments made to the Plan since the previous restatement.

Saving, investing, and building retirement income are financial opportunities that do not come easily. However, they automatically are extended to you as a participant in the Plan. Through the Plan, you may set aside and invest money for your future--with help from Universidad del Sagrado Corazón (the “Universidad”, “Sagrado”, “Employer” or “Plan Sponsor”).

Here are some highlights of the Plan:

- You may elect to make contributions on a pre-tax or after-tax basis. Sagrado may make other contributions on your behalf.
- Participation is voluntary. You decide how much of your compensation to contribute, up to certain limits.
- Your pre-tax contributions and earnings on those contributions are sheltered from taxes until they are withdrawn.
- If you choose to make after-tax contributions, those contributions are not taxable when distributed and earnings on those contributions are sheltered from taxes until they are withdrawn.
- You choose how your contributions and the Sagrado contributions will be invested.

This Summary Plan Description summarizes the Plan and explains how it works. We have tried to write this Summary in understandable and informal language. The description is based on the official Plan document. If there are any discrepancies between this Summary and the official Plan document, the Plan document will prevail. In addition, the provisions of the Plan may be amended from time to time, without prior notice, and this Summary might not be updated until a date later than the effective date of a Plan amendment.

This Summary Plan Description summarizes the Plan as in effect as of July 1, 2021, but does not capture all terms that applied in prior periods. If you terminated employment, some of the terms of the Plan described in this summary may differ from the terms that

were in effect when you were employed by Sagrado.

If you have any questions after reading this material, your human resources representative will be happy to help you.

II. ELIGIBILITY AND PARTICIPATION

Participation in the Plan by an Eligible Employee is voluntary. Generally, you are eligible to participate in the Plan on your first day of employment with Sagrado but may not commence participation until an Entry Date. An Entry Date is the date(s) in a Plan Year when an Eligible Employee may enter the Plan as determined by the Committee.

Who is Eligible?

Employees are eligible to participate in the Plan on the 1st of July of every Plan Year. The Plan defines “Employee” as any person who is a resident of Puerto Rico and employed by Sagrado as a full-time employee of indefinite or prolonged employment, as defined by Sagrado.

All Employees are eligible to participate in the Plan unless, you are an “ineligible individual” as defined below:

- Designated as such by the Sagrado Board of Directors or the Committee;
- A member of a collective bargaining unit unless your bargaining unit has negotiated participation in the Plan;
- Working and living in a place other than Puerto Rico;
- Not on Sagrado’s Puerto Rico payroll;
- A person who has performed services for Sagrado on a substantially full-time basis pursuant to an agreement between Sagrado and another organization;
- An independent contractor or consultant; or
- Part-time employees.

If you were previously a participant in the Plan, you may enroll in the Plan on the Entry Date following your rehire date, unless you are an “ineligible individual”.

III. ENROLLMENT

The Entry Date for an eligible employee is the 1st of July of every Plan Year. To enroll, you must complete the enrollment form provided to you upon employment and your participation will begin on your first payroll after the 1st of July.

If you do not make a specific election to either enroll or decline enrollment, you will be automatically enrolled in the Plan on the Automatic Enrollment Date with payroll deductions for pre-tax contributions equal to 1% of your compensation. The Automatic Enrollment Date is the 1st of July of every Plan Year.

You may, at any time, elect a different contribution percentage (including 0%). Your account will be invested in an investment fund selected by the Plan Administrator and communicated to you. The Plan Administrator may, however, designate a different investment fund for the investment of automatic enrollment contributions. If there is a change in the investment fund and you are making automatic enrollment contributions, you will be notified. You may, at any time, elect a different investment fund.

IV. NAMING A BENEFICIARY

When you enroll in the Plan, you will be asked to name a beneficiary, someone who will receive your benefits from the Plan if you die. Applicable law requires that if you are married your spouse will be your beneficiary. However, you may name anyone as your beneficiary if your spouse consents. In accordance with the law, if you name someone other than your spouse as your beneficiary, your spouse must consent to your beneficiary election by signing your Beneficiary Designation Form and having this form notarized or completing it together with your spouse before the Plan Administrator.

Subject to what was explained in the previous paragraph regarding your spouse as beneficiary, you may change beneficiaries at any time.

V. CONTRIBUTIONS TO YOUR ACCOUNT

You can save any percentage of your compensation on a pre-tax basis, subject to certain limitations described below. However, if you are a “highly compensated employee” as defined by the Puerto Rico Internal Revenue Code of 2011, as amended, you may be subject to limits on your contribution rate.

Your Contributions

When you participate in the Plan, you may contribute a percentage of your compensation, in whole percentage increments of 1%, up to the maximum amount of contributions allowed by law. The Plan Administrator will notify you if this limit changes. A single contribution rate election will apply to pre-tax contributions. Your contribution percentage will be deducted from your pay until you reach the limit for your age. Your contribution election percentage will automatically carry-over and continue unless you change it.

For the Plan, “compensation” is generally defined as everything paid to you by Sagrado and reported on your W-2. A participant’s compensation with respect to any Plan Year cannot exceed the maximum amount permitted to be recognized under the Plan by law.

You can also elect to make after-tax contributions to the Plan in whole percentages of 1% to 10% of your compensation. Unlike pre-tax contributions, your after-tax contributions do not reduce your current income tax responsibility, but the after-tax monies can earn investment income that is not taxed until distributed from the Plan to you.

How Pre-Tax Contributions Work

Your contributions are made through automatic payroll deductions, *before* taxes are withheld from the rest of your pay. This lowers your taxable income and allows you to save on current taxes. However, your unreduced gross pay is still subject to social security withholdings (the Federal Insurance Contributions Account, “FICA”). Because you pay lower taxes, you have more money to save or to spend. Remember, your contributions must be made in whole percentages.

Technically, the pre-tax money you direct Sagrado to put in your account rather than in your paycheck is considered by the Puerto Rico Internal Revenue Code to be an Employer contribution to your account on your behalf. Nonetheless, for simplicity, this Summary will refer to these contributions as “your contributions”.

You put off paying income taxes on pre-tax savings dollars until you receive them from the Plan as a distribution. These pre-tax savings dollars reduce your salary for tax purposes. Because you pay lower taxes, you have more money to save or to spend.

Example:

Suppose your compensation is \$25,000. If you decide to save 6% of your compensation on a pre-tax basis, your annual savings would equal \$1,500 ($\$25,000 \times .06$). To see how effective pre-tax savings can be, consider the chart below. It compares pre-tax savings to after-tax savings. For example, the kind of personal savings you would have at a bank.

	Pre-Tax Savings In the Plan	After-Tax Savings At a Bank
Compensation	\$25,000	\$25,000
Pre-tax Savings (6%)	1,500	0
Taxable Pay	23,500	25,000
PR withholding (10%)*	(2,350)	(2,500)
After-Tax Savings (6%)	0	(1,500)
Take home pay	\$21,150	\$21,000

*The example is for illustrative purposes only.

As you can see, in both cases the same \$1,500 was saved. However, by using the Plan, take-home pay was \$150 greater.

Sagrado's Contributions

Sagrado may make voluntary contributions to your account in amounts and/or percentages determined by Sagrado's Board of Trustees subject to vesting provisions.

Limits on Contributions

The maximum amount that you may contribute for any Plan Year is limited by the Puerto Rico Internal Revenue Code.

The law also requires that the pre-tax contribution feature of plans like ours be used by a balanced proportion of employees at both lower and higher pay levels. If the contribution levels are not balanced, contributions of participants in the “highly-paid” group (as defined by the Puerto Rico Internal Revenue Code) may have to be reduced. If the amount you decide to save in the Plan is affected by these requirements, you will be notified.

Stopping or Changing Your Contributions

You may elect to change or suspend the amount you contribute to the Plan at any time by completing the Enrollment & Changes to the Popular Master Plan Form and submitting it to the Plan Administrator in person or at the Plan’s Trustee web platform. The change will take effect on the first day of the next payroll of the following month after requesting the change.

Remember that your savings are based on a percentage of your compensation and, therefore, any change in your compensation will automatically affect the amount you contribute to the Plan. For example, if you are contributing 5% of your compensation and your eligible weekly pay increases from \$300 to \$310, then the amount of your weekly contribution will automatically increase from \$15.00 to \$15.50.

If you were hired or rehired on or after July 1, 2020, and decide not to make contributions to the Plan or if you notify your intention to the Plan Administrator to suspend all Contributions (0%), Sagrado will not make any Company Contributions to your account.

If you return from Qualified Military Service

If you return to work with Sagrado following a qualified military service, you may make-up any pre-tax contributions that you could have made had you not been on military leave.

VI. ROLLOVER CONTRIBUTIONS

If you participated in another employer’s Puerto Rico qualified savings or retirement plan before being hired by Sagrado, you may be eligible to “roll over” the taxable portion of the distribution received from the other plan into this Plan either via a direct rollover or within 60 days after receiving the distribution. You must provide supporting documentation to certify that:

- The amount of the rollover represents all or a portion of a lump sum distribution from another employer plan qualified under the Puerto Rico Internal Revenue Code.
- The distribution is being rolled into the Plan either directly from another qualified plan’s trustee or within 60 days of distribution from another qualified plan.

A rollover contribution is invested among the Plan's available investment funds in accordance with your investment election.

VII. HOW YOUR ACCOUNT IS INVESTED

Your contributions and Sagrado's contributions, if any, are invested for future growth. You choose how contributions to your account will be invested among the investment funds available.

The Plan is intended to be a participant-directed individual account plan. This means that the officials of the Plan, the Plan Administrator, Sagrado and the Plan's trustee may be relieved of liability for any losses that are the direct and necessary result of investment instructions given by you.

You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur. There are no guarantees of performance. Sagrado, the Plan Administrator, officials of the Plan and the Trustee will not provide investment advice or guarantee the performance of any investment you choose.

Account Valuations

The value of your pre-tax contributions, after-tax contributions, rollover contributions and Sagrado contributions, if any, are accounted for separately in your individual account by the Plan's recordkeeper.

Your account is valued daily, based on increases and decreases in the investment funds and other activity in your account for that business day. You may access your personal statement showing the status of your account, contributions made by you and by Sagrado and earnings/losses on those contributions at: <https://popular.com/401k>. If it is your first time logging in or if you have any issues, please contact the Plan Administrator at: dorh@sagrado.edu.

Account Corrections

It is your responsibility to review your quarterly account statements and promptly notify the Plan Administrator of any error or problem with the statement. If you do not notify the Plan Administrator for two subsequent quarterly account statements, your account statement will be deemed final and correct. Retroactive corrections will not be made to your account if notice is given after this notice period has elapsed.

VIII. VESTING AND FORFEITURE

The process of earning ownership rights is called "vesting". You always have a fully vested and non-forfeitable right in your pre-tax contributions, after-tax contributions, and rollover contributions (and earnings on all such contributions). Your length of service

with Sagrado determines what portion of past and future Sagrado contributions, if any, made to your account that you “own”, plus earnings on Sagrado contributions.

You will be vested in your Sagrado contributions account based on the following schedule:

Vesting Service	Vested Percentage
Less than 3 years	0%
3+ years	100%

Regardless of your vesting service, you will be fully vested in your Sagrado contributions account if, while employed by Sagrado:

- you reach age 65;
- you retire;
- you die;
- you become totally and permanently disabled; or,
- the Plan is terminated.

“Vesting service” is the period of time in full years and months that you are employed by Sagrado. You generally will receive credit for one year of vesting service for each Plan Year in which you are credited with a Year of Service with Sagrado. You are credited with an hour of service for each hour you work for Sagrado for pay. You may also earn hours of service for hours you are paid while away from work for such things as:

- vacations and holidays;
- illness and disability;
- leave of absence; or,
- jury duty.

You will receive credit for the number of regularly scheduled work hours while you are away. However, you cannot be credited with more than 501 hours of service during any single absence, except during a period of absence which is:

- granted in writing by and at the convenience of Sagrado, provided you return to work immediately thereafter; or
- on account of military duty, provided you return to work within the period in which you are entitled to re-employment under federal law.

If You Terminate Employment and Return to Sagrado

Participants employed by Sagrado or who are rehired by Sagrado, will receive credit for any prior period of service with Sagrado if their break in service is 60 months or less.

Leaves of Absence

If you are granted a maternity/paternity leave of absence, you shall be credited with eight hours of service for each day of the leave for which you do not receive compensation, up to a maximum of 501 hours if such credit would prevent you from incurring a break in service.

If you are granted a leave of absence in accordance with the Family and Medical Leave Act of 1993, you will be credited with the same number of hours of service for the period during which you do not receive compensation, if such credit would prevent you from incurring a break in service.

Contributions will be suspended while on an authorized leave of absence, except when granted for qualified military service.

Forfeitures

If you leave Sagrado before you are fully vested, the non-vested portion of your Sagrado contributions account will be forfeited by you. Forfeited amounts will be used to reduce future Sagrado contributions.

If you are a rehired associate who previously received a distribution of your vested Plan accounts and your Sagrado contributions were forfeited to any extent, your forfeited Sagrado contributions will be reinstated if you repay the full amount of your distribution within five years after your date of rehire. Your forfeited Sagrado contributions will not be restored unless you repay the full amount of your distribution.

IX. DISTRIBUTION OF YOUR ACCOUNT

When Your Account Can Be Paid

At any time, following termination of employment for reasons other than death, you will receive a distribution of the value of your vested account in the form of a lump sum or a direct rollover. You will receive your distribution as soon as administratively feasible following the valuation of your account. However, if the Committee does not receive an application for distribution, you will receive a lump sum of the value of your vested account.

How Your Account is Paid

You can request a distribution by completing the Request for Withdrawal Form and submitting it to the Plan Administrator. Generally, you will receive payment as soon as administratively feasible after you apply for a distribution of your account but no later than 60 days after the date of the Participant's Termination of Employment.

Tax Considerations on Distributions

In general, amounts distributed from the Plan to you will be included in your ordinary income unless rolled-over to another Puerto Rico tax-qualified retirement plan or Puerto Rico individual retirement arrangement (e.g., an IRA). Any after-tax contributions distributed to you (or treated as having been distributed to you under Puerto Rico tax law) will not be included in your gross income. Your lump-sum distributions will be taxed at the rate established by the Puerto Rico Internal Revenue Code at the time of the distribution.

You may be able to continue deferring taxes on your distribution (including a distribution of after-tax contributions) through a rollover. A rollover occurs when you transfer your payment from the Plan to an eligible Puerto Rico IRA or another employer's Puerto Rico qualified plan that accepts rollovers. If you transfer your account distribution directly to an eligible IRA or another employer's qualified plan, you continue to defer taxes on your savings.

If your payment is eligible to be rolled over to an IRA or another employer's plan, but is paid to you instead, the Plan Administrator will withhold a percentage at the rate established by the Puerto Rico Internal Revenue Code at the time of the distribution. The taxable portion of the distribution will be your pre-tax contributions, Sagrado contributions, untaxed Rollover contributions, and any investment earnings.

The preceding is a description of the principal Puerto Rico income tax consequences, under present law and regulations, of distributions under the Plan. Because the terms of the Plan and the applicable tax rules are complex, this description is general in nature and the tax consequences of distributions from the Plan may vary with individual circumstances or changes in the law. You should discuss your personal situation with a qualified tax advisor.

X. WITHDRAWALS

Although the Plan has been designed primarily to help you build retirement income, Sagrado realizes you may need to withdraw some of your savings under certain circumstances. Therefore, while you are employed by Sagrado, you may withdraw both your own and vested Sagrado contributions under the following circumstances.

Non-Hardship Withdrawal: Withdrawal of After-tax Contribution Account

You may make a withdrawal from your after-tax contributions account once every six months in an amount that you choose but not less than \$1,000. The withdrawals shall be limited to your after-tax contributions, but earnings on after-tax contributions may not be withdrawn.

Hardship Withdrawal

You may apply to withdraw money from the Plan if you have a financial hardship that is defined by the Puerto Rico Internal Revenue Code as “an immediate and substantial need which cannot be met from other reasonable available sources” including an after-tax withdrawal.

The amount you withdraw cannot be more than the expenses of the hardship less any amounts available from other resources and may not be less than \$2,500. You may only request a hardship withdrawal once every 12 months. The Puerto Rico Internal Revenue Code provides that the following expenses will meet the definition of “financial hardship” with appropriate documentation.

- Deductible of medical expenses incurred by you, your spouse, children or dependent.
- Costs directly related to the purchase of your principal residence excluding mortgage payments.
- Tuition payments and educational expenses for postsecondary education for the following 12 months for you, your spouse, children, or a dependent.
- Rent or mortgage payments to prevent the eviction from or the foreclosure of the mortgage on your principal residence.
- Funeral expenses for your deceased parent, spouse, children, or a dependent.
- such other reasons as the Puerto Rico Secretary of the Treasury publishes as constituting a financial hardship.

A withdrawal of less than the complete balance will be taken sequentially from your after-tax contributions account, rollover contributions account and your before tax contributions account excluding any earnings on before tax contributions as of the end of the month in which the payment is processed.

Your contributions to the Plan will be suspended for twelve months following an approved hardship withdrawal from your account. Sagrado contributions, if any, will also be suspended for twelve months following an approved hardship withdrawal. The suspension period starts immediately on the withdrawal process date.

You may resume your contributions to the Plan after the twelve-month suspension effective as of the first payroll period commencing on or after completing the 12-month suspension period. Sagrado contributions, if any, will also resume as of the first payroll period commencing on or after completing the 12-month suspension period.

To apply for a hardship withdrawal, you must complete the Hardship Withdrawal Request Form and submit it to the Plan Administrator. You must provide all the documentation required showing proof of your hardship. Failure to submit the appropriate documentation may result in a delay in processing the request. Hardship withdrawals will be processed as soon as administratively possible after receipt and approval of a completed Hardship Withdrawal Form and accompanying documentation proving the hardship. You should make your personal financial commitments accordingly.

Declared Disaster Distributions

In the event of a disaster, you may be able to receive tax free distributions from your Plan account. The Plan Administrator will notify participants of the availability of Declared Disaster Distributions and the terms applicable thereto.

XI. TAX CONSIDERATIONS ON WITHDRAWALS

The Puerto Rico Internal Revenue Code will consider the money taxable as ordinary income when you withdraw a portion or all of your pre-tax contribution or rollover account. The Plan Administrator will withhold a percentage at the rate established by the Puerto Rico Internal Revenue Code at the time of the distribution of the taxable portion of your withdrawal. Special rules may apply to Declared Disaster Distributions.

These guidelines are for information purposes only. This information is not intended to be tax advice. You may want to consult a tax advisor before withdrawing money from the Plan.

XII. FILING A CLAIM

You may file a claim with the Plan Administrator if you believe you are being denied benefits due to you. Such a written request must be filed within four (4) years of the Participant having knowledge of the claim. A claim filed after the passage of four (4) years shall be time barred.

The rules and procedures for claims filed under the Plan differ according to the type of claim being made. If your claim does not relate to a benefit based on disability (such as whether you qualify for full vesting based on total and permanent disability), refer to “Non-Disability Related Benefit Claims” below. If, however, your claim under the Plan is related to a disability (e.g., you are requesting full vesting based on total and permanent disability), refer to “Disability Benefit Claims” below. Please note that you or your beneficiary may make a claim for benefits under the Plan and notices and other written correspondence may be sent to you or your authorized representative.

To file a claim, you must submit a written request to the Plan Administrator setting forth your claim.

The Initial Claim

1. Non-Disability Related Benefit Claims

If your request for benefits is denied in whole or in part, the Plan Administrator will notify you in writing within 90 days of receiving your application. If special circumstances require an extension of time for processing your claim, you will receive a written notification of the extension which describes the special circumstance requiring the extension and the date by which the Plan Administrator expects to render a decision. This notification will be provided prior to the expiration of the initial 90-day period. The extension will not exceed a period of 90 days from the end of the initial 90-day period. If you do not receive a response to your application within this time limit, your claim will be deemed to have been denied, and you may begin your appeal.

2. Disability Benefit Claims

The Plan Administrator will notify you within 45 days after you have filed your claim if your claim is a Disability Benefit Claim. The Plan Administrator may take a 30-day extension on top of the initial 45 days to decide your claim. The 30-day extension period may itself be extended for another 30 days (for a total of 105 days). Each extension must be necessary due to matters beyond the Plan Administrator's control and the Plan Administrator will notify you of the extension before the end of the initial 45-day or additional 30-day period.

Appeal of a Denied Claim

1. Review of a Non-Disability Related Benefit Claim Appeal

To appeal a denied Non-Disability Related Benefit Claim, you must, within 60 days of receiving the notice of denial, submit a written request to the Plan Administrator asking that your appeal be considered along with documents, records and other information relating to the claim.

You will be granted reasonable access to, and copies of (without charge), all documents, records and other information, relevant to the claim, including items used in the initial determination of your claim, even if the Plan Administrator did not rely upon such items in denying your claim. You have the right to review all pertinent information and submit issues and comments in writing to the Plan Administrator.

You will be notified in writing of the decision on your appeal. Normally the decision will be made within 60 days, but special circumstances may cause the appeal to take longer. If an extension is needed, the Plan Administrator will notify you in writing before the end of the 60-day period.

You will be notified in writing if your Non-Disability Related Benefit Claim is denied upon review.

2. Review of a Disability Benefit Claim

If your Disability Benefit Claim is denied in whole or in part by the Plan Administrator, you have 180 days from the date you receive the denial notice to appeal that decision. The review of your Disability Benefit Claim will be made by the person(s) or entity that is charged with responsibility for determining eligibility for disability benefits under Sagrado's long-term disability plan (the "Disability Administrator"). Neither any individual serving as Disability Administrator, nor any member of a Plan Administrator serving as Disability Administrator, may be a member of the Plan Administrator or the subordinate of any member of the Plan Administrator. You or your beneficiary may submit written comments, documents and other information to the Disability Administrator relating to your Disability Benefit Claim.

The Disability Administrator will notify you of its decision within 45 days of receiving your request for review. It may take another 45 days to review your claim if special circumstances require an extension of time. You will, however, be provided with a written notice explaining the special circumstances that necessitate the extension and the expected date of a decision upon review.

If the Disability Administrator's final decision upon review is to deny your claim in whole or in part, it will do so in writing. The written notice will contain the information required in a final denial for a Non-Disability Related Benefit Claim and the Additional Disability Provisions.

It may be that the denial of your Disability Benefit Claim was based in part by a medical judgment. In reviewing your claim, the Disability Administrator will consult with health care professionals with relevant training. This health care professional cannot be an individual consulted during the initial determination of your claim, nor can he or she be a subordinate of such individual.

If the Plan Administrator depended on the advice of any medical or vocational experts in connection with the denial of your initial Disability Benefit Claim, the Disability Administrator will provide you with the names of such experts. Such individuals will be identified even if the Plan Administrator did not rely upon their advice in denying your claim.

In making any determinations with respect to any claim for benefits, the Plan Administrator and the Disability Administrator have authority and power to exercise discretion in determining all questions of fact and in interpreting the Plan.

XIII. SITUATIONS AFFECTING PLAN BENEFITS

Certain situations could affect your benefits. Some of those situations are summarized here:

- Sagrado will not make any contributions to your account if you were hired or rehired on or after July 1, 2020, and you choose not make contributions to the Plan or if you notify the Plan Administrator your intention to suspend all contributions (0%).
- Your benefits could be delayed if you fail to make proper application for benefits, fail to provide necessary information, or fail to provide Sagrado your current address.
- You will be unable to make any further contributions to your account if you transfer to an affiliate or division that does not participate in the Plan, or to an ineligible classification of employees. However, in some cases you may continue to earn vesting service.
- The value of your account will be paid to you when you retire or leave Sagrado. You may, however, withdraw the contributions in your account subject to the rules for withdrawals.
- The Puerto Rico Internal Revenue Code sets a limit on the amount that can be contributed to your account every year. The Puerto Rico Internal Revenue Code also sets limits on the total amounts that can be contributed to the Plan. These limits generally apply to higher-paid participants. You will be notified if they affect you.

XIV. QUALIFIED DOMESTIC RELATIONS ORDERS (QDRO)

Your benefits could be affected by the receipt of a Domestic Relations Order (DRO). The Plan Administrator will honor court orders (i.e., divorce and child support decrees) to pay benefits to spouses, former spouses, children, and/or other “alternate payees” and to begin such payments while you are still working. Such orders may also provide that a spouse and/or former spouse must be treated as your current spouse for purposes of paying benefits after your death.

These orders must meet the Qualified Domestic Relations Order (QDRO) requirements stated in the Plan. The Plan Administrator will deny payment pursuant to any judgment, decree, or order as a “Qualified Domestic Relations Order” unless it meets all of the requirements set forth below. Assuming an order meets these requirements, the Plan Administrator will follow the terms of the order if this Plan is the proper party to the legal proceedings pursuant to which the order was issued.

The following are Sagrado’s Qualified Domestic Relations Order Procedures. The Plan may make payments under a Domestic Relations Order (DRO) only if the DRO is determined by the Plan Administrator to be a QDRO. Upon receipt of a DRO, the procedure outlined below will be followed in determining whether or not it is a QDRO.

- The affected participant and any other person (e.g., alternate payee) specified in the DRO as being entitled to payment of benefits under the Plan will be notified of the receipt of the proposed order. The notification will be sent to the address set forth in the DRO or, if no address is indicated, any other address of the individual that the Plan Administrator is aware of.
- During this period, you will be suspended from taking an in-service withdrawal or distribution from the Plan. The Plan Administrator will determine whether the DRO satisfies the requirements for a QDRO under the Plan.
- Once the Plan Administrator determines the status of the DRO, the Plan Administrator will notify the participant and alternate payee(s) of the determination within a reasonable period. If the DRO is deemed to be a QDRO, upon receipt of a confirmed copy of the QDRO, notification shall also include the terms of benefit entitlements(s) and instructions as to payment.
- The Plan Administrator will, as soon as administratively practicable, ascertain the dollar amounts payable to each alternate payee pursuant to the DRO and direct that any amounts currently payable be accounted for separately while the status of the DRO is being determined. The Plan will not separate accounts if amounts covered by the DRO are not currently payable under the Plan.

You have the right to designate a representative to receive copies of notices that are sent with respect to the DRO. The Plan Administrator should be notified in writing immediately if you want to designate such a representative. Notifications regarding the DRO will be sent to you at the address included in the DRO or, if no address is indicated, at any address otherwise known to the Plan Administrator if no designation is received by the Plan.

The Plan Administrator will follow a court order that meets all of the following requirements:

- The order relates to the provision of child support, alimony, or marital property rights and is made pursuant to state domestic relations or community property laws.
- The order creates or recognizes the existence of an alternate payee's right to receive all or a portion of a participant's defined contribution account.
- The order specifies the social security number, name, birth date, and last known mailing address of the participant and each alternate payee covered by the order.
- The order specifies the amount or percentage of the participant's accrued benefit to be paid to each alternate payee or the manner in which the amount or percentage is to be determined.

- The order specifically names the Universidad del Sagrado Corazón Savings Plan as the plan to which the order applies.
- The order does not require this Plan to provide any type of benefit or form of benefit or option not otherwise provided under this Plan.
- The order does not require the payment to an alternate payee of benefits that must be paid to another alternate payee under another order previously determined by the Plan Administrator to be a QDRO.

XV. AMENDMENT AND TERMINATION

Sagrado reserves the right to change, suspend, or terminate the Plan at any time for any reason. All affected participants' accounts will be fully vested if the Plan is terminated or if contributions under the Plan are permanently discontinued.

Your current account balance will be protected if the Plan is merged or consolidated with another plan, or if your account is transferred to another plan. Your account balance under the new plan be at least equal to the amount you would be entitled to under the prior plan just before the change.

XVI. ADMINISTRATIVE INFORMATION

Plan Year

The Plan's records are kept on a fiscal year basis. The Plan's fiscal year commences on July 1st and ends on June 30th. The Plan's fiscal year will be referred to as the Plan Year.

Plan Sponsor's Name and Address

The name, business address and telephone number of the Plan Sponsor are:

Universidad del Sagrado Corazón, Inc.
P.O. Box 12383
San Juan, Puerto Rico 00914-8505
Tel. (787) 728-1515

Plan Sponsor's Employer Identification Number

The Plan Sponsor's employer identification number is:

66-00207156

Trustee and Plan Administrator's Name and Address

The Plan's trustee is:

Banco Popular de Puerto Rico
Fiduciary Services Division
P.O. Box 362708
San Juan, PR 00936-2708

The Plan Administrator is:

Universidad del Sagrado Corazón's Administrative Committee
P.O. Box 12383
San Juan, Puerto Rico 00914-8505
Tel. (787) 728-1515

Designated Agent for Service of Legal Process

The name and address of the registered agent for service of legal process for the Plan is:

Universidad del Sagrado Corazón's Administrative Committee
P.O. Box 12383
San Juan, Puerto Rico 00914-8505
Tel. (787) 728-1515

Type of Plan

The Plan is a profit-sharing plan with a cash or deferred arrangement.

Plan Funding

The Plan is funded through a trust. Trust assets are invested for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying reasonable Plan expenses. Distributions of benefits to participants are made from trust assets. The trustee is named above.

XVII. INVESTMENT OPTIONS

You may review the Plan's investment options at: <https://popular.com/401k>.\