

**THE CHILDREN'S HOSPITAL OF PHILADELPHIA
FUNDED RETIREMENT SAVINGS PLAN**

SUMMARY PLAN DESCRIPTION

January 1, 2014

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**THE CHILDREN'S HOSPITAL OF PHILADELPHIA
FUNDED RETIREMENT SAVINGS PLAN**

The Children's Hospital of Philadelphia (the "Plan Sponsor") established The Children's Hospital Of Philadelphia Funded Retirement Savings Plan (the "Plan"), effective January 1, 2014, to help provide for additional employee security and income upon retirement. The Plan is for the benefit of eligible employees of the Plan Sponsor and eligible employees of any other subsidiary or affiliate of the Plan Sponsor that adopts the Plan (each, an "Employer and collectively, the "Employer"). Please refer to Section A below entitled "General Information," for a listing of current participating Employers in the Plan.

This Summary Plan Description, also called an "SPD," highlights the most important provisions of the Plan in effect as of January 1, 2014. It does not state all of the terms and conditions of the Plan. If you have questions about the day-to-day administration of the Plan that are not answered in this SPD, please contact the Plan Representative at the address indicated below under Section A entitled "General Information."

The Plan meets the requirements under section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"). All contributions to the Plan will be held in a trust pursuant to the terms of the trust agreement entered into between the Plan Sponsor and the Plan's Trustee (J.P Morgan Chase).

This SPD describes the current provisions of the Plan, which are designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and other federal and state laws that may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (the "IRS") or Department of Labor (the "DOL").

This SPD also describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. The description of your retirement benefits is not an employment contract or any type of employment guarantee. If you wish to receive a copy of the legal Plan document, please contact the Plan Representative. Additional terms or conditions governing the Plan may also be provided in the contracts entered into between the Plan Sponsor and the Plan's Trustee, and the Funding Agent (TIAA-CREF).

Although the Plan Sponsor intends to continue the Plan indefinitely, the Plan Sponsor reserves the right to amend or terminate the Plan, in whole or in part, at any time and for any reason.

A. General Information

Name of Plan: The Children's Hospital Of Philadelphia Funded Retirement Savings Plan

Name and Address of Plan Sponsor: The Children's Hospital Of Philadelphia (CHOP)
34th Street and Civic Center Blvd
Philadelphia, Pa. 19104-4399

Plan Sponsor Employer Identification Number ("EIN"): 23-13521166

Plan Number: 006

Plan Year: January 1 – December 31

Type of Plan: Profit sharing plan under section 401(a) of the Code

Name and Address of Plan Administrator: Administrative Committee
of The Children's Hospital Of Philadelphia

34th Street and Civic Center Blvd.
Philadelphia, Pa 190104-4399

Name and Address of Plan Trustee: JP Morgan Chase Bank, N.A.

Worldwide Securities Services
One Chase Manhattan Plaza, 19th floor
New York, NY 10005-1401

Name and Address of Funding Agent: TIAA-CREF

730 Third Avenue
New York, NY 10017

Participating Employers: The Children's Hospital Of Philadelphia
Children's Surgical Associates (CSA)

Plan Administrator: The Administrative Committee is the Plan Administrator, as defined in ERISA. All matters relating to the administration of the Plan, including the duties imposed upon the Administrative Committee by law and the interpretation of Plan provisions, except those duties relating to the control or management of Plan assets, are the responsibility of the Administrative Committee. The Administrative Committee has the authority, in its sole discretion, to interpret the Plan and resolve ambiguities therein, to develop rules and regulations to carry out the provisions of the Plan, to make factual determinations, and to resolve questions relating to eligibility for and the amount of benefits. All interpretations, determinations, etc. made by the Administrative Committee pursuant to the Administrative Committee's authority will be subject to review only for abuse of discretion.

Plan Representative: The Administrative Committee has appointed TIAA-CREF as the Plan Representative. You should contact TIAA CREF if you have questions regarding your rights under the Plan or to conduct any of the following Plan operations: advise the Plan of an address change, update your beneficiary or change your investment allocation.

Plan Investment Committee: The Investment Committee of The Children's Hospital Of Philadelphia is responsible for the control and management of the Plan's assets (to the extent these duties have not been assigned to the Trustee). The Investment Committee is responsible for the selection of available investment funds and any Investment Manager and Funding Agent (TIAA-CREF) and monitors the investment performance of any Investment Manager, Funding Agent and the Trustee.

Plan Funding and Expenses: The Plan is funded through contributions made by the Plan Sponsor. Generally, the expenses of administering the Plan are borne by the Plan's trust unless the Plan Sponsor decides that the Employer will pay them.

Agent for the Service of Legal Process: The agent for the service of legal process is the Administrative Committee. Service may also be made on the Trustee.

B. How the Plan Works

If you are eligible to participate in the Plan, CHOP will make a "CHOP Funded Retirement Contribution" equal to three percent (3%) of your compensation on your behalf one time per year after the end of the calendar year provided you have met the eligibility provisions for the Plan. The CHOP Funded Retirement contributions are contributed to an individual Account established in your name. You will not be taxed on your CHOP Funded Contributions and related investment earnings until they are paid to you from the Plan, unless you elect a direct rollover at that time.

All contributions to your Account are held by the Trustee and invested as you have elected for your benefit. You elect how contributions made to your Account will be invested from among the investment funds available under the Plan. If you do not make an investment election, the CHOP Funded Contribution will be invested in the age based Life Cycle Fund. Generally, the Plan is designed to make payments from your vested Account when you terminate employment, or die. However, you may defer payment until the April 1 of the Plan Year that follows the year you reach age 70 ½. Your ultimate benefit under the Plan is based on contributions to your Account, increased by investment income and gains, and decreased by losses and Plan expenses.

C. Participation

Who is Eligible to Participate

You are eligible to participate in the Plan if you are a "Covered Employee." A "Covered Employee" is any employee of an Employer, *other than*:

- any temporary employee not employed by the Employer;

- any student;
- a member of a collectively bargaining unit that has not registered for participation in the Plan in accordance with its most recent collective bargaining agreement;
- a non-resident alien without U.S. source income;
- a leased employee;
- any individual employed in an A1 Trainee status (often referred to as T-32's);
- An independent contractor or other individual not considered to be an actual employee (regardless of any contrary determination by a governmental agency or court);
- any employee who is eligible to participate as an active employee in The Children's Hospital of Philadelphia Pension Account Plan (the "Pension Plan");
- any resident or fellow who is a physician;
- any individual paid through the University of Pennsylvania payroll or other affiliate's payroll other than Children's Surgical Associates; and
- any employee of Spark Therapeutics, LLC.

When Participation Begins

If you are first employed on or after July 1, 2013, you will become eligible to participate on the January 1 of the Plan Year in which you complete a year of eligibility service, but in no event before January 1, 2014.

If you are re-employed on or after July 1, 2013 or transfer from an ineligible status to that of a Covered Employee on or after July 1, 2013, you will become a participant on January 1 of the Plan Year in which you complete a year of eligibility service (or January 1, 2014 if later).

If you were employed prior to July 1, 2013 or if you terminated employment with the Hospital between January 1, 2013 and June 30, 2013, and were re-employed from July 1, 2013 to July 8, 2013, and made an irrevocable election during the Retirement Choice period of September 2nd to October 15th, 2013 to be covered under this Plan, you will become a participant on January 1, 2014 or January 1 of the Plan Year in which you complete a year of eligibility service if later.

A year of eligibility service is the 12 consecutive month period beginning on the date your employment commences in which you are credited with 1,000 hours of service (including overtime, holiday, vacation, jury duty, short-term disability, etc.) if you are an hourly-paid employee, or 750 regular time hours for which you are scheduled to work if you are a salaried employee. If you don't complete the required number of hours in your first year of employment, the 12 consecutive month measuring period will be based on the Plan Year to see if you have sufficient hours to meet the eligibility requirement.

If you are a prior employee of Children's Surgical Associates or Children's Anesthesiology Associates, your prior service with these entities will count for purposes of eligibility to participate.

At no time may a Covered Employee be an active participant under the Plan and the Pension Account Plan at the same time.

When Participation Ends

Active participation in the Plan ends when you cease to be a Covered Employee by transfer to non-covered employment, when you terminate employment with a participating Employer, or when you and/or your beneficiary have received all payments due you from your Account under the Plan. However, you remain a participant for distribution and investment direction purposes as long as you have an Account balance under the Plan.

Participation Upon Reemployment

If you terminate employment after becoming a participant, you will again become an active participant in the Plan as of the date you again become a Covered Employee. If you terminated employment before you were a participant, you will become an active participant in the Plan after you meet the eligibility requirements if you are reemployed as a Covered Employee.

If you are a prior Pension Account Plan participant or employee who was eligible for the Pension Account Plan, elected to continue participation in the Pension Account Plan, terminated employment and are reemployed in any subsequent Plan Year, you will become a participant in this Plan (not the Pension Account Plan) upon reemployment if reemployed as a Covered Employee (or January 1 of the Plan Year in which you complete a year of eligibility service, if later).

If you are a prior Pension Account Plan participant or employee who was eligible for the Pension Account Plan, elected to continue participation in the Pension Account Plan, become ineligible due to a change in employment status and again become a Covered Employee in any subsequent Plan Year, you will become a participant in this Plan (and not the Pension Account Plan) upon the change in status to Covered Employee (or January 1 of the Plan Year in which you complete a year of eligibility service, if later).

If you terminate employment and are subsequently reemployed, any years of eligibility service that you completed prior to termination will be restored to you.

Change in Address

Please promptly notify TIAA-CREF in writing of any change in your address.

Change in Marital Status

Please promptly notify TIAA-CREF in writing of any change in your marital status.

D. CHOP Funded Contributions

CHOP Funded Contributions

CHOP will make an annual Employer Funded Contribution to each eligible employee's account.

You become eligible for the contribution on the January 1st of the Plan Year in which you complete either 750 hours of service (if salaried) or 1000 hours of service (if hourly). The annual Employer Funded Contribution will be equal to three percent (3%) of your eligible Compensation.

Discretionary Contribution: In its sole discretion CHOP may elect to make a discretionary additional Employer Contribution for the Plan Year to participants who are credited with a year of vesting service during the Plan Year and who are employed on the last day of the Plan Year. If your Employer elects to make a discretionary contribution it will be allocated prorata based on Compensation for the Plan Year.

A year of vesting service is each Plan Year in which you are credited with 1,000 hours of service (including overtime, holiday, vacation, jury duty, short-term disability, etc.) if you are an hourly-paid employee, or 750 regular time hours for which you were credited as worked if you are a salaried employee. If you terminate employment and are subsequently reemployed, any years of vesting service that you completed prior to termination will be restored to you.

Vesting service includes service prior to the effective date of this Plan, and service you earned while employed as an employee of your Employer even if not as a Covered Employee.

If you are a prior employee of Children's Surgical Associates or Children's Anesthesiology Associates, your prior service with these entities will count for purposes of vesting.

Compensation for purposes of the Employer Contributions generally includes all amounts paid during a Plan Year (including amounts paid after termination of employment but prior to the end of the Plan Year) treated as wages for federal income tax withholding and pre-tax contributions that you may have made to a retirement plans under sections 403(b) or 457(b) of the Code, a cafeteria plan under section 125 of the Code or pre-tax transportation plan under section 132 of the Code. Compensation also includes any military differential pay that is paid to you with respect to any period of active military service in the uniformed services of the United States of more than 30 days.

Compensation does not include short-term disability payments (including salary continuation payments), reimbursements or other expense allowances, fringe benefits (both cash and non cash, including tuition reimbursement, scholarship and clinical skills incentives), moving expenses, non-performance based-incentive pay (such as referral bonuses, signing bonuses, other recruitment payments, and other retention bonuses that are subject to repayment if services are not performed for the required period), deferred compensation (e.g., distributions from a Code Section 457 plan), payments made under the Employer's supplemental executive retirement plans, welfare benefits, severance pay, paid personal leave cashout payments and any compensation not paid by your Employer, regardless of whether such amounts are treated as

wages under the Code, imputed income, severance pay, unused personal leave payments, contributions by an Employer to this or any other plan or plans for the benefit of employees (other than the elective deferrals described above), compensation paid by a non-participating affiliate, long-term disability pay, or living stipends.

E. Military Duty

If you return to employment following a period of qualified military service, CHOP will make an Employer Contribution equal to the percentage of your Compensation you would have received for the Plan Year had you continued to be employed and received Compensation during the period of qualified military service if CHOP is made aware of the military leave.

"Qualified military service" is any period of time for which you are absent for military service under leave granted by your Employer or required by law, provided you return to employment while your right to re-employment is protected by law.

F. Limit on Compensation

Federal law limits the amount of Compensation that may be taken into account in any Plan Year for purposes of allocating contributions under the Plan. The maximum Compensation amount is adjusted periodically by the IRS to reflect changes in the cost-of-living.

G. Limits on Contributions

In addition to the annual limits on Compensation, federal tax law also limits the total amount of Employer Contributions that can be allocated to your Account for any Plan Year. A CHOP representative will notify you in the event that any of these limits affect you in any year.

H. Accounts

Contributions to the Plan are held in an individual Account maintained for you by the Trustee as adjusted by gains and losses.

I. Investments

Investment of Your Account

At the time you become a Plan participant, you elect how your CHOP Funded Contributions are to be invested among the available investment funds under the Plan. You have exclusive discretion with respect to the investment of your contributions in the investment funds available under the Plan. Your election on how contributions are to be invested will remain in effect until you change it. In the event you do not make an investment election your funds will be invested in an age appropriate Life Cycle Fund.

When you become a participant in the Plan, you will be given a detailed description of each investment fund available to you and its investment strategies and objectives, as well as a description of the annual operating expenses of each investment fund (e.g., investment management fees, administrative fees, transaction costs which reduce the rate of return to you),

past and current investment performance, and the type of assets that make up the portfolio of each fund. You will receive updated prospectuses and shareholder reports for the investment funds in which your Account(s) is invested and may, at any time, request information, including prospectuses on any of the available investment funds, by contacting TIAA-CREF.

Please keep in mind that there are varying degrees of investment risk associated with each fund. Before directing the investment of any portion of your interest under the Plan to any fund, you should carefully read the prospectus for that particular fund, and you might consider consulting an investment advisor. It is important to recognize that there are no guarantees of your investment's performance. The rate of return on any investment fund may go up or down, depending upon market conditions. The available funds are subject to change at any time. Before making your investment election, you should:

- evaluate all of the funds carefully;
- develop a long-range personal savings goal;
- decide how much risk you are willing to take to achieve your goal; and
- be aware that funds offering a greater investment return may be subject to greater risk.

You may transfer your contributions, in whole percentages, that are invested in one investment fund to another investment fund by contacting TIAA-CREF. Keep in mind that election changes among investment funds are subject to the rules established by TIAA-CREF and the Administrative Committee. As a result of these rules, you may be limited in frequency and dollar amount of investment election changes among funds. Additionally, the Administrative Committee and TIAA-CREF may establish uniform and nondiscriminatory rules related to participant investment directives.

It is intended that the Plan constitute an "ERISA section 404(c) plan," which is a plan described in section 404(c) of ERISA and Title 29 of the Code of Federal Regulations, section 2550.404c-1. This means that the Plan allows you to choose from a broad range of investments, and you can (and have the responsibility to) decide for yourself how to invest the assets in your Accounts under the Plan. It is further intended that TIAA-CREF, the Investment Committee, the Administrative Committee, the Employer and any other fiduciaries of the Plan are relieved of liability for any losses that are the direct and necessary result of your exercise of control over the investment of assets in your Accounts. Please note that if you fail to direct the investment of your Account under the Plan, your contributions will automatically be invested in the funding vehicle that the Employer has established as the qualified default investment alternative, which is the age appropriate Life Cycle Fund, until you affirmatively elect to direct the investment of such amounts in accordance with regulations issued by the Department of Labor.

Valuation of Your Account

You will receive a personal statement quarterly of the total value of your Account. In general, the value of your Account is determined by taking your CHOP Funded Contributions and

adjusting your contributions to reflect fund performance (e.g., earnings and losses) and Plan expenses.

You are responsible for monitoring the accuracy of the personal statements you receive from the Plan. Any errors or discrepancies should immediately be brought to the attention of TIAA-CREF so that any correction, if appropriate, may be made to your Account.

J. Vesting

Vesting represents the value of your Account to which you are currently entitled. You will vest in your Account according to the following vesting schedule:

Participant's Years of Vesting Service	Participant's Vested Percentage
Fewer than 3	0%
3 or more	100%

In addition, you will be fully (100%) vested in your Account if you reach normal retirement age while employed by your Employer (age 65).

K. Forfeitures

You will forfeit the non-vested portion of your Account when you terminate employment.

However, if you are reemployed as a Covered Employee before experiencing five consecutive one-year breaks in service, the non-vested portion of your Account will be restored to you.

You will have a one-year break in service if you are an hourly employee, fail to complete more than five hundred (500) hours of service (total hours including overtime, etc.) in a Plan Year and terminate employment. If you are a salaried employee, you will have a one-year break in service if you fail to complete more than three hundred and seventy five (375) hours of service (hours for which you are regularly scheduled to work) in a Plan Year and terminate employment.

For purposes of determining if you have break in service, you may receive credit for an excused absence determined in accordance with the rules and procedures of your Employer because of:

- Your pregnancy;
- The birth of your child;
- Placement in connection with the adoption of a child;
- The need to care for your child during a period immediately following the child's birth or placement;
- Your absence due to Qualified Military Service; or
- Medical leave of absence granted in writing

These rules generally follow the regulatory guidelines of the Family and Medical Leave Act (FMLA) and other state mandates. See the Hospital's policies on Leave of Absence for more details.

L. Payment of Your Account Upon Employment Termination

Following your termination from employment, TIAA-CREF will provide you with an explanation of your options and the tax consequences of distributions from the Plan.

Benefit Commencement Date

When you terminate employment you have the option to take an immediate distribution of your Account. You have the option to leave your Account in the Plan and not take a distribution until later. You **must** commence payment no later than April 1 of the Plan Year that following the Plan Year in which you reach age 70 ½, however if you are still working for your Employer at that time you may defer payment until you actually retire.

If you leave your Account in the Plan, you will continue to direct your investments and your Account will be valued in the normal manner until paid from the Plan.

M. Forms of Payment

The normal form of payment for a married Participant is the Qualified Joint and Survivor Annuity that can be purchased with 100% of your vested Account. You may elect an optional form of payment subject to spousal consent which must be witnessed by a notary. A Qualified Joint and survivor annuity pays you an annuity for your life and upon your death, 50% of the amount you were receiving is payable to your surviving spouse, if any, for your spouse's lifetime. The normal form of payment for a Participant who is not married is the single life annuity that can be purchased with 100% of your Account. This annuity pays you an annuity for life and upon your death all payments cease.

Optional forms of payment include the following:

- (1) a single lump sum payment
- (2) a single life annuity, with or without a cash refund option;
- (3) a certain and life annuity (for 10, 15, or 20 years) with or without a cash refund option;
- (4) a 50%, 75%, or 100% percent joint and survivor annuity, with or without a cash refund option;
- (5) a fixed period annuity; or
- (6) installments.

Before you make your election you will be provided with information on all the forms of payment as well as the spousal consent applicable to married participants

N. Payment of Your Account Upon Death

If you die before your benefit commences and you have a surviving spouse on the date of death, your Account will be paid as a monthly annuity to your surviving spouse which will be purchased with 50% of your vested Account, unless previously waived by you with spousal consent, witnessed by a notary. At your election the remaining 50% of your vested Account may be paid to any beneficiary of your choosing in a lump sum. Instead of the annuity, your surviving spouse may also elect payment in a lump sum. You can designate anyone you want if you are married to receive payment of the death benefit in a lump sum with spousal consent as described above.

The death benefit payable to any Participant who dies before benefits commence and who does not have a surviving spouse on the date of death will be paid in a single lump sum.

A surviving spouse beneficiary may elect to defer payment of the pre-retirement death benefit until the date you would have reached age 65. A beneficiary who is not a spouse will receive the pre-retirement death benefit as soon as practical following your death, but no later than December 31 of the Plan Year that includes the fifth anniversary of the date of your death.

For purposes of the spousal consent provisions of the Plan and the marriage requirements, a spouse includes opposite sex spouses and same-sex spouses as determined under the laws of the applicable state in which the same-sex marriage occurred. Participants and spouses must provide documentation or confirmation of marital status that the Administrative Committee may require or request.

Beneficiary Designations

You may name a beneficiary by completing the online form from TIAA-CREF. If you are married and name a beneficiary other than your spouse for any of the forms of payment available under the Plan, your spouse must waive his or her right as your beneficiary and consent to your named beneficiary. If you are married and name a beneficiary other than your spouse for the 50% of your Account balance that is normally paid to your spouse in the case of your death prior to payment of your benefit, your spouse must waive his or her right as your beneficiary and consent to your named beneficiary. Such consent must be in writing and witnessed by a notary public. If you wish to change the beneficiary you have named, you must complete a new form and return it to the TIAA CREF. The latest form you have completed and returned to TIAA CREF before your death will control. If no valid beneficiary designation exists at the time of your death, your beneficiary will be your spouse, if living. If no valid beneficiary designation exists at the time of your death and you do not have a spouse, or your spouse does not survive you, your beneficiary will be your children, per stirpes, of if you have no children, your estate.

O. Top-Heavy Provisions

Under current federal tax laws, the Plan is required to contain provisions which will take effect if the Plan becomes "top-heavy." The Plan will be considered top-heavy if the value of the Accounts for certain "key" employees exceeds 60% of the value of the Accounts for all participants. A more detailed explanation of these provisions will be provided by the Administrative Committee if and when the Plan becomes top-heavy.

P. Tax Information

Taxation of Distributions

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59½ could be subject to an additional 10% early distribution tax.

However, in general this 10% tax will not apply if:

- The distribution is made after you reach age 59½ or if you terminate employment in the year of your 55th birthday or later.
- The distribution is made due to your death or disability (as defined by the IRS).
- You roll over the distribution to an IRA or another eligible retirement plan.
- A distribution to your spouse, child or other dependent is required under the terms of a qualified domestic relations order.
- The distribution is made to you in a year when your unreimbursed medical expenses, as defined by the IRS, exceed 7.5% of your adjusted gross income.

By law, payments from your Account must begin by the April 1 following the year in which you reach 70½ or retire from your Employer, if later. If your payments do not begin by the required beginning date, you may be subject to a 50% excise tax on the portion of your Account (as determined by IRS guidelines) that should have been paid to you. It is your responsibility to ensure payment is made to you when required by law.

If you receive a lump sum distribution, 20% federal income tax withholding will be automatically applied to the distribution unless you elect a direct rollover. If you elect an annuity payment, you will be given the option to have federal income tax withheld from each payment or to waive withholding entirely on forms provided for that purpose when you receive the distribution.

You will receive a more detailed explanation of the tax rules at the time you receive a distribution along with information on all the payment options from TIAA-CREF. You should consult with qualified tax counsel before making a choice.

Q. Direct Rollover Distributions

If you receive a lump sum distribution from the Plan, you generally have the option of authorizing the Trustee for the Plan to make a direct transfer of your distribution to an IRA or to another qualified plan, Code section 403(a) annuity, a Code section 403(b) program or a governmental Code section 457 plan, which will accept the transferred amount. If you elect a direct transfer, your check will be sent to you to deliver to the trustee or custodian. If you do not elect a direct transfer, federal income tax will be withheld. As required by law, the amount to be

withheld for federal taxes is twenty percent (20%) of the distribution. You will be given additional information on the direct transfer option when you terminate employment and are ready to receive a distribution.

Even if a plan accepts rollovers, it might not be allowed to, or may choose not to accept rollovers of certain types of distributions. If an employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse's consent for any subsequent distribution. A subsequent distribution from the plan that accepts your rollover may also be subject to different tax treatment than distributions from this Plan. Check with the administrator of the plan that is to receive your rollover prior to making the rollover.

If you did not elect a direct transfer, and instead had the lump sum distribution paid to yourself, you are still permitted to make a rollover of the distribution you receive to an IRA or another qualified plan, a Code section 403(a) annuity, a Code section 403(b) program or a governmental Code section 457 plan that will accept the rollover, if you do this within 60 days of the date you receive the distribution. However, if you elect the rollover option, tax withholding will still be applied at the twenty percent (20%) rate. The only way to avoid federal income tax withholding at distribution is to elect the direct transfer option.

Under current law, you may not make a rollover to a SIMPLE IRA or Education IRA (a Coverdell Education Savings Account). You may make a rollover to a Roth IRA.

Regardless of the amount of federal income tax withheld at distribution, if any, you will be responsible for payment of any taxes associated with the distribution. Withholding at twenty percent (20%) may not be sufficient to cover your tax liability. For some individuals, withholding at twenty percent (20%) will be sufficient to pay the tax on a distribution. For others, the twenty percent (20%) rate will be excessive and you may be entitled to a refund on your tax return filed for the year of the distribution. State and local taxes may also be imposed..

R. Non-Assignment of Benefits

Federal law provides that you may not borrow against the value of your Account or assign your rights under the Plan as collateral for a loan or for any other purpose. However, all or a portion of your Account may be assigned under one of the following:

- **Qualified Domestic Relations Order.** The Plan must recognize a "qualified domestic relations order" issued by a state authority (usually a court) that requires part or all of your benefit under the Plan to be paid to an "alternate payee" to satisfy child support, alimony, or settlement of marital property rights under state domestic relations law. The law currently provides that an "alternate payee" may be your spouse, former spouse, child, or other dependent. The rights of an alternate payee to whom your Account is assigned under a qualified domestic relations order are similar to the rights of a beneficiary under the terms of the Plan. There are certain legal requirements that a domestic relations order must meet before it can be qualified. For example, a domestic relations order cannot provide benefits to an alternate payee in a form or at a time which is not permitted under the Plan. The Administrative Committee determines whether an order is

qualified in accordance with its procedures. You may obtain a copy of these procedures at no charge, upon written request to the Administrative Committee.

- **Federal Tax Levies or Judgments.** The Plan will honor properly executed federal tax levies or federal tax judgments resulting from an unpaid tax assessment. Additionally, your Account may be offset by an amount that you are ordered or required to repay to the Plan pursuant to a judgment, order, or decree issued, or settlement agreement entered into, with respect to your commission of a crime against the Plan.

S. Loss of Benefits

Under certain circumstances, your benefits under the Plan could be lost, reduced, or suspended. These circumstances include the following:

- the value of your Account decreases due to investment losses;
- you terminate employment prior to becoming fully vested in your Account and the nonvested portion is forfeited and not restored;
- your Account may become subject to a qualified domestic relations order or a federal tax levy or judgment;
- you do not provide the Plan Representative or Administrative Committee with your most recent address and you cannot be located; or
- you fail to make proper application for benefits or fail to provide information necessary for the Plan to make a distribution.

T. Benefit Claims

The Administrative Committee will advise you of any benefits to which you are entitled under the Plan. If you believe that the Administrative Committee has failed to advise you or to pay any benefit to which you are entitled, you or your duly authorized representative may file a written claim with the Administrative Committee. If you are denied a claim for benefits, in whole or in part, the Administrative Committee will provide you with written or electronic notice of the denial within 90 days of the date your claim is received by the Administrative Committee unless special circumstances require an extension of time for processing. In that case, a decision will be rendered as soon as possible, but not later than 180 days after receipt of your claim, and you will be notified of the reason for the delay within the original ninety 90-day period. If your claim for benefits is denied, the Administrative Committee will provide you with written or electronic notice setting forth in simple terms:

- the specific reason or reasons for the denial;
- specific reference to the Plan provisions on which the denial is based;

- a description of any additional material needed so that a benefit may be paid and an explanation of why such material or information is necessary; and
- an explanation of the claims review procedure under the Plan and the time limits applicable to the claims review procedure, including a statement of your right to bring a civil action under section 502(a) of ERISA following denial of your claim under the claims review procedure.

You or your duly authorized representative will also be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim. Within 60 days of the date you receive a notice denying a claim, you or your duly authorized representative may request (in writing) a full review of the claim by the Administrative Committee. In connection with such review, you or your duly authorized representative may review relevant documents and may submit issues and comments in writing. The Administrative Committee will make a decision promptly, and not later than 60 days after receipt of the request for review, unless special circumstances require an extension of time for processing. In that case, a decision will be rendered as soon as possible, but not later than 120 days after receipt of the request for review. The decision on review will include a written or electronic statement that will include:

- the specific reason or reasons for the denial;
- specific reference to the Plan provisions on which the denial is based;
- a description of your right to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits; and
- a statement of your right to bring a civil action under section 502(a) of ERISA.

The Administrative Committee's decision on review will be final and binding on all parties. No person may bring an action for any alleged wrongful denial of Plan benefits in a court of law unless the claims procedures set forth above are exhausted and a final determination is made by the Administrative Committee. In addition, no person may bring an action in a court of law if he fails to comply with the time limits described above. If the terminated employee or other interested person challenges a decision of the Administrative Committee, a review by the court of law will be limited to the facts, evidence and issues presented to the Administrative Committee during the claims procedure set forth above. Facts and evidence that become known to the terminated employee or other interested person after having exhausted the claims procedure must be brought to the attention of the Administrative Committee for reconsideration of the claims determination. Issues not raised with the Administrative Committee will be deemed waived.

Claim Deadline: If you have a claim for benefits or wish to bring an action, you must do so within 36 months of the date that the benefit you are challenging was made or due, the date the benefit was first denied, or the date you knew or should have known the facts on which your claim was denied.

If you become aware that the Administrative Committee has failed to implement any action you have taken with respect to your Plan benefit, or such action was incorrect or not consistent with your intent, and you fail to notify the Administrative Committee within a reasonable period (not more than 180 days), you will be deemed to have accepted such action or failure to act.

U. Termination and Amendment of the Plan

The Plan Sponsor reserves the right to amend or terminate the Plan in whole or in part, or discontinue contributions to the Plan, at any time. The Plan will be amended or terminated through formal written action of the Plan Sponsor's Board of Directors.

Further, each Employer reserves the right to cease its participation in the Plan at any time and for any reason. An Employer's participation may cease through resolutions of the Employer's Board of Directors.

No Plan amendment will reduce your Account as of the date of the amendment or divest you of any vested right to your Account. Amendments to change the formula for determining the amount of future contributions under the Plan are permitted. Because the Plan is a defined contribution plan, the Pension Benefit Guaranty Corporation ("PBGC") will not insure any benefits earned under the Plan in the event the Plan terminates.

V. Participant Obligations and Duty to Notify Administrative Committee of Errors or Omissions

In order for the Administrative Committee to correct or otherwise rectify any errors or omissions with regard to your Account under the Plan, you have an affirmative obligation to monitor your Account to ensure that all directions, instructions and elections made by you are properly implemented. Consistent with this obligation, you are required to promptly review all statements, confirmations and other notices and disclosures with respect to your Account, as well as all payroll confirmations, notices and disclosures pertaining to your contributions and contribution elections with respect to the Plan. If the Administrative Committee or an individual or entity with authority delegated by the Administrative Committee acts or fails to act with respect to your Account and you know or should have known that such act or failure to act was incorrect or inconsistent with the Plan, ERISA or its regulations, the Code, and/or your investment instructions, elections, or other directions, your failure to notify the Administrative Committee (or any individual or entity with authority delegated by the Administrative Committee) within 60 days that such act or failure to act was incorrect or inconsistent with your election will be deemed to be an acceptance and ratification of the Administrative Committee's (or any individual or entity with authority delegated by the Administrative Committee) act or failure to act.

W. Your Rights under ERISA

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants will be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Administrative Committee's office and at other specified locations, such as worksites 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.
- Obtain, upon written request to the Administrative Committee, 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 Administrative Committee may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Administrative Committee is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you the fair market value of your vested, accrued benefit, as of the date for which benefits are reported, if you stop working under the Plan now. If you do not have a right to a benefit under the Plan, the statement will tell you how many more years you have to work to get a right to a benefit. You will automatically receive a statement of your accounts (at least quarterly) and you may request (in writing) one additional statement, free of charge. This additional statement is not required to be given upon request more than once every 12 months.

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 (pension, welfare) benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Administrative Committee 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 Administrative Committee. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact TIAA-CREF at 1-(800) 842-2776. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Administrative Committee, 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.