

Thomas Jefferson University Hospitals,
Inc.
Defined Contribution Pension Plan

Summary Plan Description

January 1, 2009

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**Thomas Jefferson University Hospitals, Inc.
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Introduction

The Thomas Jefferson University Hospitals, Inc. ("TJUH, Inc.") Defined Contribution Pension Plan (the "Plan") is a defined contribution plan that operates under Section 403(b) of the Internal Revenue Code (IRC). The Plan was established on July 1, 2004. The purpose of the Plan is to provide retirement benefits for participants and their beneficiaries. Contributions under the Plan will be used to purchase annuity accounts or custodial accounts through the various fund sponsors made available under the Plan.

Formal legal documents specify the rules governing the Plan. The Plan Administrator has copies of these documents and they are available for your inspection. Because this Summary Plan Description is a summary only, it does not describe all of the provisions of the Plan and all of the possible fact situations that may occur. Therefore, in the case of any conflict between the content of this Summary Plan Description and the content of the Plan itself, or in the case of the omission in this Summary Plan Description of a discussion of any Plan provisions, **the terms of the Plan itself (and not the language of this Summary Plan Description) shall control.**

Eligibility and Participation

Who is eligible to participate in the Plan?

If you are an employee of TJUH, Inc., you can participate in the Plan unless you fall into one or more of the following categories:

- you are eligible to participate in the Thomas Jefferson University Hospitals, Inc. Retirement Plan for Senior Administrative Staff;
- you are eligible to participate in the Thomas Jefferson University Hospitals, Inc. Employees' Pension Plan (the "Hospital Pension Plan") and are not participating in this Plan either by election or deemed election;
- you are a fellow, resident, or intern employed from year-to-year;
- you are covered by a collective bargaining agreement (unless the agreement so provides); or
- you are a leased employee, temporary employee, or independent contractor.

When do I become eligible to participate in the Plan?

- You are eligible to make before-tax contributions and receive matching contributions on the first of the month on or next following the date you reach age 21 and complete an **eligibility year**, provided you are an Eligible Employee.
- You are eligible to receive employer non-matching contributions at the end of each Plan Year, provided you have reached age 21, have completed an **eligibility year**, are an Eligible Employee, are actively employed by TJUH, Inc. on the last day of the **plan year** and have completed the required number of hours in that year in order to receive the contribution, as established by the Plan Administrator. The term "actively employed" includes periods during which you are on a leave of absence covered by the Family and Medical Leave Act (FMLA).

Definitions

An **eligibility year** is a 12-month period counted from your employment date (or the first day of any calendar year after that) in which you complete 1,000 **hours of service** with TJUH, Inc., any other participating employer, or any managed affiliate (according to Plan rules)

An **hour of service** means each hour for which you are entitled to be paid, including working time, paid holidays, paid vacations, paid sick leave, or overtime pay.

A **managed affiliate** means Thomas Jefferson University, Jefferson University Physicians, and any other entity designated by TJUH, Inc. which does not otherwise qualify as an affiliate.

For eligible employees who were participating in the Thomas Jefferson University Hospitals, Inc. Employees' Pension Plan on June 30, 2004 and are either no longer eligible for that plan or have elected to participate in this Plan, participation begins on July 1, 2004.

In order to participate, you may be required to complete and sign various forms provided by the Plan Administrator and/or the Plan's fund sponsors.

How are eligibility years counted?

You receive an **eligibility year** for each 12-month period counted from your employment date (or the first day of any calendar year after that) in which you complete 1,000 or more hours of service with TJUH, Inc. or any participating employer. Hours of service will be determined on the basis of actual hours for which you are paid or entitled to payment.

You receive credit for service with TJUH, Inc. and any other participating employer both before and after July 1, 2004 (the Plan's effective date). You also receive credit if you worked for a managed affiliate, terminated employment, and transferred directly to TJUH, Inc. or a participating employer. Your hours of service from both employers during the year of transfer will be aggregated, with the number from the managed affiliate equal to the hours you earned under the affiliate's retirement plan before the transfer.

Plan Contributions

How much can I contribute?

6% of base pay will automatically be deducted on a pre-tax basis from your paycheck upon eligibility unless, within 30 days of receiving your eligibility notice, you affirmatively decline enrollment or change your contribution percentage to an amount less than 6%.

Can I change or stop my contributions?

You may increase, decrease, or stop your salary reduction contributions at any time by signing a written TJUH, Inc. vendor change form.

To reduce the amount you contribute to the plan or opt out, complete a vendor change form available on the [Forms](http://jefferson.vanguard-education.com/enroll) page of the enrollment website: <http://jefferson.vanguard-education.com/enroll> and return it to the Human Resources Employee Service Center, 1st Floor, 833 Chestnut Street. Vendor change forms are also available at the Human Resources Employee Service Center.

Is there a company match?

For each Plan Year beginning January 1, 2009, TJUH, Inc. will match 25% of the first 6% of your base compensation that you contribute to the Plan, for a maximum match of 1.5% of your base compensation. *Note: TJUH, Inc. does not match rollover contributions.*

For each Plan Year beginning July 1, 2004 through Plan Years beginning January 1, 2008, TJUH, Inc. match was 50% of the first 6% of your base compensation that you contributed to the Plan, for a maximum match of 3% of your base compensation.

Two examples of current matching contributions

<u>By You</u>	<u>By TJUH, Inc.</u>
6%	$(25\% \times 6\%) = 1.5\%$ (maximum match)

<u>By You</u>	<u>By TJUH, Inc.</u>
3%	$(25\% \times 3\%) = .75\%$

Are there any non-matching contributions?

For each Plan Year beginning January 1, 2009, TJUH, Inc. will contribute 4.5% of your base earnings, provided you are actively employed by TJUH, Inc. on the last day of the **plan year** and have completed the required number of hours in that year in order to receive the 4.5% contribution, as established by the Plan Administrator. The term “actively employed” includes periods during which you are on a leave of absence covered by the Family and Medical Leave Act (FMLA).

For each Plan Year beginning July 1, 2004 through Plan Years beginning January 1, 2008, TJUH, Inc. contributed 3% of your base earnings, provided you were actively employed by TJUH, Inc. on the last day of the **plan year** and had completed the required number of hours in that year in order to receive the 3% contribution, as established by the Plan Administrator. The term “actively employed” included periods during which you are on a leave of absence covered by the Family and Medical Leave Act (FMLA).

TJUH, Inc. may also make an additional contribution (a “qualified employer contribution”) on behalf of non-**highly-paid** employees if needed for the Plan to pass the nondiscrimination test (see **Is there a limit on contributions?** on Page 6).

Definitions

The **plan year** is January 1 through December 31, except for the first plan year, which runs from July 1, 2004 through December 31, 2004.

A **highly-paid** employee owns more than 5% of the company during the current or preceding year or had compensation over \$80,000* in the preceding year. Discrimination in favor of highly-paid employees is prohibited. *Indexed--\$105,000 in 2008 for 2009

Funds

Where can I invest my account?

Investment options

Funds are available through Vanguard and TIAA-CREF.

If you don't choose funds for your contributions or the employer contributions, your assets will be automatically invested in a date-specific Vanguard Target Retirement Fund, based on an assumed retirement age of 65.

You can also choose your own portfolio from the plan's core funds (all index funds with the exception of one money market fund), or add supplemental funds (a combination of index and actively managed funds) for extra diversification.

To find out which investment strategy is best for you, go to [the Choose a Strategy section](#) of the enrollment website: <http://jefferson.vanguard-education.com/enroll>.

Changing investment providers

If you'd like to invest with TIAA-CREF, complete the vendor change form on the [Forms](#) page of the enrollment website: <http://jefferson.vanguard-education.com/enroll> and return it to the Human Resources Employee Service Center, 1st Floor, 833 Chestnut Street. You will also need to complete a TIAA-CREF enrollment form. Forms are available at the Human Resources Employee Service Center or from TIAA-CREF.

To begin investing contributions with TIAA-CREF with the first eligible paycheck, complete the vendor change form and a TIAA-CREF enrollment form within two weeks of receiving your eligibility notice.

Here are brief descriptions of the available investment vehicles.

Vanguard

Mission Statement: To be the world's highest-value provider of investment services.

The Vanguard Group, founded in 1975 by John C. Bogle, is a leader in the mutual fund industry, with U.S. assets in 2003 of \$690 billion. Its fund family of over 100 mutual funds holds 9.3% of the nation's mutual fund assets, representing 18.3 million shareholder accounts. Vanguard funds have low operating expenses, less than 20% of the average mutual fund. Because Vanguard believes its investors should be educated consumers, their website (www.vanguard.com) contains helpful information on saving for retirement, whether you're just beginning or well on your way.

TIAA-CREF

Investment Philosophy: To spell out long-term objectives and pursue them in a systematic and dependable manner.

TIAA-CREF, formed in 1918 by the Carnegie Foundation, is one of the world's largest retirement systems, with over \$300 billion in assets as of the end of 2003 and 2.9 million participants at 15,000 non-profit institutions. It offers a wide range of products, with expenses of less than 1%. TIAA is one of the few life insurance companies to earn the highest ratings from the four major independent agencies, and corporate governance and accounting reform have been a priority for many years. TIAA-CREF's website (www.tiaa-cref.org) offers many useful tools and resources for retirement planning and investing.

The Vanguard Group

Participant Services (800) 523-1188

Website www.vanguard.com

TIAA-CREF

Participant Services (800) 842-2888

Website www.tiaa-cref.org

Enrollment

To reduce the amount you contribute to the plan or opt out, complete a vendor change form and return it to the Human Resources Employee Service Center, 1st Floor, 833 Chestnut Street. Complete the vendor change form on the [Forms](#) page of the enrollment website: <http://jefferson.vanguard-education.com/enroll>. Vendor change forms are also available at the Human Resources Employee Service Center.

If you'd like to invest with TIAA-CREF, complete the vendor change form on the [Forms](#) page of the website.

You will also need to complete a TIAA-CREF enrollment form. Forms are available at the Human Resources Employee Service Center or from TIAA-CREF.

To begin investing contributions with TIAA-CREF with the first eligible paycheck, complete the vendor change form and a TIAA-CREF enrollment form within two weeks of receiving your eligibility notice.

Plan Limits and Other Rules

What is my "compensation" for Plan purposes?

Compensation includes your base pay and any amounts withheld under a Section 125 plan, and pay you would otherwise have received during a period of qualified military service. It does not include overtime, bonuses, shift or weekend differential, on-call or worked call pay, or pay received or accrued before you began participating in the Plan. Compensation taken into account under the Plan cannot exceed the limits of Section 401(a)(17) of the Internal Revenue Code. For 2009, the limit is \$245,000, but may be adjusted from time to time by the Internal Revenue Service for cost-of-living increases.

Is there a limit on contributions?

Yes. Your employee contributions to this Plan may not exceed 6% of your base salary. Contributions above 6% of base salary may be made to a voluntary tax deferred annuity plan. The total of your tax-deferred contributions in any year cannot exceed the limits of Section 402(g) of the Internal Revenue Code (\$16,500 in 2009). This limit is adjusted from time to time.

The total amount of contributions made on your behalf to all defined contribution retirement plans (by you and TJUH, Inc.) for any year cannot exceed the limits of Section 415 of the Internal Revenue Code (\$49,000 for 2009). This limit is also adjusted from time to time.

The Plan is required to conduct a “discrimination” test each year to ensure that highly-paid employees (\$105,000 in 2008 for 2009) do not benefit more than non-highly-paid employees from the tax breaks of the Plan. Passing the test is generally not a problem if non-highly-paid employees contribute at a rate that is proportionate to that of the highly-paid group. If the Plan does not pass the test, highly-paid employees may see their contribution limit lowered and will likely receive a refund of excess contributions already made.

Can I make up any contributions that are affected by the above limits?

Contributions to this Plan may not exceed 6% of base compensation. If you have reached (or will reach) age 50 before the end of a Plan Year, you may elect to make additional salary reduction contributions to your voluntary tax deferred annuity if you have been affected by the limits imposed by law. These additional contributions may not exceed \$5,500 (for 2009, and as indexed for subsequent years) or, if less, your Compensation minus the salary reduction contributions you have already made for the Plan Year.

In addition to the age 50 “catch-up” contributions described above, if you have completed 15 years of service, you may elect to make additional salary reduction contributions equal to the lesser of:

- \$3,000,
- \$15,000 minus the “catch-up” salary reduction contributions you have made for prior Plan Years, or
- the excess of \$5,000 times your years of service minus your salary reduction contributions for prior Plan Years.

Does the Plan accept rollover contributions and plan-to-plan transfers?

If permitted by the fund sponsor, you may be able to make “rollovers” from certain qualified plans of other employers, or from an Individual Retirement Account (IRA), into an approved funding vehicle under the Plan, and you may be permitted to transfer funds to and from some funding vehicles. Rollovers and fund transfers are subject to limitations and requirements imposed by the relevant funding vehicles and by the Internal Revenue Code and its rulings. *Note: Hardship distributions are not considered eligible rollover contributions. In addition, the Plan cannot accept after-tax contributions.*

Do contributions continue during a paid leave of absence?

During a paid leave of absence in which you are paid from Jefferson payroll, Plan contributions (by you and TJUH, Inc.) will continue to be made based on the compensation paid to you from Jefferson payroll during your leave of absence. No contributions will be made during an *unpaid* leave of absence or during a leave of absence in which you are receiving pay from a source other than TJUH, Inc., such as long-term disability insurance.

Do contributions continue while I am on active duty in the armed forces?

If you are absent from employment by reason of service in the uniformed services of the United States and then return to active employment, you will be permitted to make additional salary reduction contributions, within the Plan's limits, up to the amount you would have been able to make had you remained employed and received compensation during your period of military service. You will have a period equal to three times the length of your military service (or five years, if less) in order to make these contributions. TJUH, Inc. will make the matching contributions to the Plan that would have been made had you remained employed at TJUH, Inc. during your period of military service, to the extent required by law. These contributions will be made based on the amount of your make-up contributions upon your return from active duty.

Vesting

When do my Plan contributions become vested (i.e., owned by me)?

You are immediately 100% vested in any salary reduction contributions you make, including investment returns. In addition, you are immediately 100% vested in the 3% fixed employer contribution, if applicable, and corresponding investment returns. Also, in the event the employer is required to make a qualified contribution (as described on Page 3), you are immediately vested in the contribution and corresponding investment returns. These amounts cannot be forfeited.

You become 100% vested in the TJUH, Inc. matching contributions (and investment returns) after three **vesting years** with TJUH, Inc.. If you terminate employment with TJUH, Inc. before you have three **vesting years**, these amounts are forfeited and used to fund future TJUH, Inc. contributions. You also become 100% vested in the TJUH, Inc. matching contributions and investment returns if, while you are actively employed by TJUH, Inc., you reach the Plan's **normal retirement age**.

Definitions
A vesting year is a calendar year in which you complete 1,000 hours of service with TJUH, Inc., any other participating employer, or any managed affiliate (according to Plan rules), including plan years before July 1, 2004.
Normal retirement age is the later of your 65 th birthday or the fifth anniversary of the date your Plan participation began.

How are vesting years counted?

You receive a **vesting year** for each calendar year in which you complete 1,000 or more hours of service with TJUH, Inc. or any participating employer. Hours of service will be determined on the basis of actual hours for which you are paid or entitled to payment. You receive credit for service with TJUH, Inc. and any other participating employer both before and after July 1, 2004 (the Plan's effective date). You also receive credit if you worked for a **managed affiliate**, terminated employment, and transferred directly to TJUH, Inc. or a participating employer. Your hours of service from both employers during the year of transfer will be aggregated, with the number from the **managed affiliate** equal to the hours you earned under the affiliate's retirement plan before the transfer.

Timing of Plan Benefits

What is the normal retirement date under the Plan?

The normal retirement date is the first day of the month on or after the date you reach age 65.

When does my retirement income begin?

Your account will be distributed as soon as practicable after your date of termination. Payments will begin as of the effective date of your election, except as provided under the rules of the fund sponsor.

You may elect to defer distribution of your benefit. However, the law requires that distribution be made or begin by the April 1 following the calendar year in which you reach age 70½ or retire, whichever comes later.

Definition

A **domestic partner** is an individual with whom the employee has a same-sex relationship for at least one year. An affidavit of domestic partnership must be filed with TJUH, Inc. and neither partner may be in a domestic partnership with someone else at the same time.

Form of Plan Benefits

Which options are available for receiving retirement income?

You may choose from among several income options when you retire. However, if you are married or have a domestic partner, your right to choose an income option will be subject to your spousal rights (under Federal pension law) to survivor benefits as discussed below, unless you and your spouse or domestic partner complete an official waiver of this right or a QDRO provides different instructions. The income options made available by the fund sponsors generally include the following:

A Single Life Annuity. This option pays you an income for as long as you live, with payments stopping at your death. A single life annuity provides you with a larger monthly income than other options. This option is also available with a 10, 15, or 20 year guaranteed payment period (but not exceeding your life expectancy at the time you begin receiving annuity income). If you die during the guaranteed period, payments in the same amount that you would have received continue to your beneficiary (or beneficiaries) for the rest of the guaranteed period.

A Survivor Annuity. This option pays you a lifetime income. If your annuity partner lives longer than you, he or she continues to receive an income for life. The amount continuing to the survivor depends on which of the following three options you choose:

- **Two-Thirds Benefit to Survivor.** At the death of either you or your annuity partner, the payments are reduced to two-thirds of the amount that would have been paid if both had lived, and are continued to the survivor for life.
- **Full Benefit to Survivor.** The full income continues as long as either you or your annuity partner is living.
- **Half Benefit to Second Annuitant.** The full income continues as long as you live. If your annuity partner survives you, he or she receives, for life, one-half of the income you would have received if you had lived. If your annuity partner dies before you, the full income continues to you for life.

All survivor annuities are available with a 10, 15, or 20 year guaranteed period, but not exceeding the joint life expectancies of you and your annuity partner. Federal tax law may limit the period.

A Minimum Distribution Option (MDO). The MDO enables participants to automatically comply with Federal tax law distribution requirements. With the MDO, you will receive the minimum distribution required by law while preserving as much of your accumulation as possible. The minimum distribution will be paid to you annually unless you elect otherwise. This option is generally available in the year you reach age 70½ or retire, if later.

Death Benefits

What happens if I die before my retirement benefits begin?

If you die before benefit payments have started, your vested account balance is payable to your beneficiary.

Payment will normally be made in a single sum as soon as practicable or, if the beneficiary elects, in a form permitted by the fund sponsor. However, if you are married or have a domestic partner and die before payments have started, your account will be paid to your surviving spouse or domestic partner as a life annuity unless you have designated another form of benefit (with your spouse or domestic partner's written, notarized consent) or your spouse or domestic partner elects, in writing, to receive another form of payment permitted by the funding agency.

If you die before benefit payments have started, your entire account must normally be distributed by December 31 of the year containing the fifth anniversary of your death. Under a special rule, death benefits may be payable over the life or life expectancy of a designated beneficiary if distribution begins by December 31 of the calendar year immediately following the year of your death. If the designated beneficiary is your spouse or domestic partner, the start of benefits may be deferred until December 31 of the calendar year in which you would have reached age 70½, had you continued to live.

The payment of benefits according to the above rules is extremely important. Federal tax law imposes a 50% excise tax on the difference between the amount of benefits required by law to be distributed and the amount actually distributed if it is less than the required minimum amount.

What happens if I die after my retirement benefits begin?

If you die after benefit payments have started, payments will continue to your beneficiary according to the form that you elected. If you are married or have a domestic partner, your spouse or domestic partner will automatically be your beneficiary unless your spouse or domestic partner has previously waived these rights in writing or a QDRO contains specific directives.

Who receives my benefits if I die?

If your spouse or domestic partner consents in writing signed before a notary public and the benefits are not subject to a QDRO, you may designate a person, persons, or entity other than your spouse or domestic partner to be the beneficiary of 50% or 100% of your account. If you are not married or have no domestic partner, and have not designated a beneficiary, your death benefit will be paid to your heirs under the intestate law of your state of residence at the date of your death. For more information on spousal rights and consent, see **What are my spouse or domestic partner's rights to survivor benefits under this Plan?** on Page 9.

What are my spouse or domestic partner's rights to survivor benefits under this Plan?

If you are married or have a domestic partner that you have appropriately identified with the Human Resources Department and annuity benefits began before your death, your surviving spouse or domestic partner must continue to receive income that is at least half of the annuity income payable during the joint lives of you and your spouse or domestic partner (called a "joint and survivor annuity"). If you die before annuity income begins, your surviving spouse or domestic partner must receive a benefit that is at least half of the full current value of your annuity accumulation, payable in a single sum or under one of the income options offered by the fund sponsor (called a "pre-retirement survivor annuity").

A waiver of the joint and survivor annuity may be made only during the 90-day period before benefits begin. The waiver also may be revoked during the same period, but may not be revoked after annuity income begins.

The period during which you may elect to waive the pre-retirement survivor benefit begins on the first day of the Plan Year in which you reach age 35. The period continues until the earlier of your death or the date you start receiving annuity income. If you die before reaching age 35 (that is, before you have had the option to make a waiver), at least half of the full current value of the annuity accumulation is payable automatically to your surviving spouse or domestic partner in a single sum, or under one of the income options offered by the fund sponsor. If you terminate employment before age 35, the period for waiving the pre-retirement survivor benefit begins no later than the date of termination. The waiver also may be revoked during the same period.

Spousal consent is not required if you can establish to the Plan Administrator's satisfaction that you have no spouse or domestic partner or that he or she cannot be located. Unless a Qualified Domestic Relations Order (QDRO), as defined in Section 414(p) of the Internal Revenue Code, requires otherwise, your spouse or domestic partner's consent is not required if you are legally separated or you have been abandoned (within the meaning of local law) and you have a court order stating that fact.

If a QDRO establishes the rights of another person to your benefits under this Plan, then payments will be made according to that order. A QDRO may preempt the usual requirements that your spouse or domestic partner be considered your primary beneficiary for a portion of the accumulation.

Withdrawals and Loans

Does the Plan allow in-service withdrawals?

No. In-service withdrawals from the plan are not permitted.

Does the Plan allow hardship withdrawals?

No. Hardship withdrawals from the plan are not permitted.

Does the Plan allow loans?

No. Loans from the plan are not permitted.

Additional Information about the Plan

May I roll over a distribution of my account balance?

If you are entitled to receive a distribution from your contract which is an "eligible rollover distribution," you may roll over all or a portion either directly or within 60 days after receipt into an "eligible retirement plan," i.e. an individual retirement account (IRA); an individual retirement annuity (other than an endowment contract); a 403(a) annuity plan; a qualified defined contribution plan; an eligible 457(b) plan; or another 403(b) retirement plan. An eligible rollover distribution, in general, is any cash distribution other than an annuity payment, a minimum distribution payment, or a payment that is part of a fixed period payment over ten or more years. The distribution will be subject to 20% Federal withholding tax *unless* it is rolled over directly into another retirement plan or into an IRA within 60 days.

If the distribution is paid to you, 20% of the distribution must be withheld *even if* you intend to roll over the money into another retirement plan or into an IRA within 60 days. To avoid this mandatory withholding, you should instruct the fund sponsor to make the direct rollover for you.

Can my account balance be assigned to anyone else?

Ordinarily, your account balance cannot be assigned, which means that it can be paid only to you or your designated beneficiary. However, if you become a party to a divorce, or if you become liable for support or alimony payments, a court may issue a “qualified domestic relations order” (QDRO) that legally requires the Plan to pay all or a portion of your account balance to your spouse or domestic partner, ex-spouse or domestic partner, children, or other dependent. You may obtain a copy, free of charge, of the Plan’s procedures relating to QDROs from the Plan Administrator.

May the Plan be amended or terminated?

TJUH, Inc. has the right to amend the Plan at any time. Therefore, your rights as discussed in this booklet may be changed. However, if they are changed materially, TJUH, Inc. must notify you of the change within a reasonable time.

TJUH, Inc. intends to continue the Plan and, along with its affiliates, intends to make contributions to it for an indefinite period. However, TJUH, Inc. has the right to discontinue contributions to the Plan and to terminate the Plan at any time. If TJUH, Inc. terminates the Plan or discontinues contributions to it, you will be 100% vested in your Plan account without regard to the number of years you have worked for TJUH, Inc. or any of its affiliates. If the Plan were terminated, your vested account balance would be distributed to you as soon as administratively feasible after TJUH, Inc. received a favorable determination letter from the Internal Revenue Service relating to the Plan’s termination.

Does the Pension Benefit Guaranty Corporation (PBGC) insure the Plan?

No. Because the Plan is a defined contribution plan, your account is not insured or guaranteed by the PBGC or any other entity or individual.

Who is responsible for investment results?

Section 404(c) of ERISA provides that if a participant controls the investment of his or her account, then the participant is responsible for investment results, including both earnings and losses. Because the Plan provides you with the opportunity to control your Plan investments, the Plan Administrator and other fiduciaries are generally not responsible for any investment losses attributable to your investment decisions. In structuring the Plan to allow participant-directed investments, TJUH, Inc. intends for the Plan to qualify as a “Section 404(c) Plan,” and the Plan’s fiduciaries may be relieved of any liability for losses experienced as a result of your investment instructions.

For additional information about Plan investments, see **Fund Sponsors** on Page 15.

What are the Plan's claim procedures?

Initial Claim. A Participant or beneficiary ("claimant") who believes himself or herself to be entitled to benefits under the Plan, and who has not begun to receive those benefits, may claim benefits by submitting written notification to the Plan Administrator.

Procedure for Appeal. In the event the claim is wholly or partially denied, the Plan Administrator shall, within 90 days (or in special cases, and upon prior written notice to the claimant, 180 days) of receiving the claim, inform the claimant of the reason or reasons for the denial; the reference to the specific Plan provisions on which the denial was based; any additional material or information that may be necessary to perfect the claim, with the applicable reasons; the procedure for reviewing the denial of the claim and the time limits applicable to such procedures; and a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse decision on appeal. In such case, during the 60-day period following the date on which the denial is received, the claimant or his or her representative shall have the opportunity to appeal to the Plan Administrator for review of the denial by written request to the Plan Administrator requesting such review. The claimant or his or her representative shall, upon request and free of charge, have reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits and shall have an opportunity to submit written comments, documents, records and other information relevant to the claimant's claim for benefits.

Decision on Appeal. No later than 60 days after its receipt of the request for review, the Plan Administrator shall render a decision in writing, stating the specific reasons for the decision; specific Plan references on which the determination was based; that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to his claim; any additional appeal procedures offered under the Plan and the claimant's right to receive information about such procedures; and the claimant's right to bring a civil action under Section 502(a) of ERISA. If special circumstances require extension, and upon prior written notice to the claimant, the Plan Administrator's decision may be given within 120 days after receipt of the request for review.

If the Plan has a Committee or Board of Governors designated as the appropriate named fiduciary, a decision does not have to be made within the 60-day (or 120-day) period if the Committee or Board meets at least four times a year. In such case, the decision must be made at the first meeting after the request is filed, except that when a request is filed less than 30 days prior to a meeting, the decision may be delayed until the date of the second meeting after the request is filed. In no event shall the decision be made later than the third meeting after the request is filed.

ERISA Rights Statement

What are my rights under the law?

The following statement is required by Federal law and regulations concerning your rights under the Plan:

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

Receive information about your Plan and benefits

- Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as work sites, all documents governing the Plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan’s annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age (age 65) 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 a benefit, 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 twelve months. The Plan must provide the statement free of charge.

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 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. The Plan fiduciaries, however, are not responsible for the investment decisions that you make. No one, including the Employer 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, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits that 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 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.

Administrative Information**Name of Plan**

The Thomas Jefferson University Hospitals, Inc. Defined Contribution Pension Plan

Employer Identification Number

23-2829095

Plan number assigned by the sponsor of the Plan

002

Plan sponsor and agent for legal process

If you feel you must take legal action for any reason regarding your benefits, legal action can be served on the Plan Sponsor. The Plan Sponsor is:

Thomas Jefferson University Hospitals, Inc.
833 Chestnut Street; Suite 900
Philadelphia, PA 19107-4414
(215) 503-1866

Service of legal process may also be made upon the Administrative Committee or the Board of Governors.

Plan Year

A Plan Year is the 12-month period used to maintain the Plan's fiscal records. The initial (short) Plan Year is July 1, 2004 through December 31, 2004. Thereafter, the Plan Year is January 1 through December 31.

Plan Administrator

Thomas Jefferson University Hospitals, Inc.
833 Chestnut Street; Suite 900
Philadelphia, PA 19107-4414
(215) 503-1866

Plan Funding

Eligible employees as well as TJUH, Inc. make contributions to the fund or funds chosen by the employee with the appropriate vendor.

Fund Sponsors

TIAA-CREF

730 Third Ave.

New York, NY 10017

(800) 842-2252 (Automated Telephone Service)

(800) 842-2776 (Telephone Counseling Center)

www.tiaa-cref.org

The Vanguard Group

P.O. Box 1110

Valley Forge, PA 19482-1110

(800) 523-1188 (Participant Services)

(800) 462-2391 (Annuity Services)

www.vanguard.com