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# **THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. RETIREMENT PLAN FOR SENIOR ADMINISTRATIVE STAFF**

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## **Planning For the Future**

An important goal of our benefit program is to respond to your need for financial security during your retirement years. To help provide financial security upon retirement, the Thomas Jefferson University Hospitals, Inc. (“Hospital”) contributes to your retirement account and provides you the opportunity to make additional contributions to your account under the Thomas Jefferson University Hospitals, Inc. Retirement Plan for Senior Administrative Staff (the “Retirement Plan”).

When your retirement benefit payments are to begin, you can choose to have a monthly benefit paid to you for life, or you can choose to have a portion of your benefit continued to a beneficiary after your death. The amount of your monthly benefit will depend on the payment method you choose.

The Retirement Plan also provides special protection to your beneficiary if you die before you retire.

This summary plan description (“SPD”) is designed to give you a summary description of the retirement benefits available to eligible full-time senior administrators, without going into all of the refinements and details set forth in the Retirement Plan documents. The legal rights and obligations of any person having an interest in the Retirement Plan are determined solely by the provisions of the Retirement Plan document. In the event of any discrepancy between this SPD and the official documents, the Retirement Plan documents (including any amendments to the Retirement Plan) always govern. If you wish to see a copy of the official Retirement Plan documents, you may do so by contacting the Benefits Office at Thomas Jefferson University Hospital or the Retirement Plan Representative at the Hospital. The Retirement Plan confers no right to employment.

As you read through this description of your Retirement Plan, you may come across some words and phrases that have special meanings within the context of the Retirement Plan. To help you understand them, we have included definitions of these terms in a glossary. If you have any questions, or need additional information about the Retirement Plan, please contact the Employee Benefits Section of the Department of Human Resources.

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## Glossary

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The following terms have special meaning in the Retirement Plan so we've provided their definitions here. When they first appear in the text, these terms are highlighted to remind you to refer to this Glossary.

**Compensation.** Compensation means your base rate of pay in effect on the last day of any biweekly pay period. It does not include bonus, overtime, or any other forms of additional compensation, such as pay for summer employment.

**Eligible Domestic Partner.** Eligible Domestic Partner means the same-sex domestic partner with respect to whom the Participant has filed, in the form, time, and manner prescribed by the Hospital, an affidavit of domestic partnership; provided that no more than one individual may be named as a Participant's domestic partner at any given time.

**Eligible Rollover Plan.** An eligible rollover plan includes an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code (other than an endowment contract), an annuity plan described in Section 403(a) of the Code, a qualified retirement plan that accepts rollover distributions, an eligible deferred compensation plan described in Section 457 of the Code that separately accounts for the distribution, or an annuity contract described in Section 403(b) of the Code.

**Hour of Service.** As noted below, you must generally be credited with at least 1,000 Hours of Service in your first 12 months of employment or a Plan Year to be eligible to participate in the Retirement Plan. You will be credited with an hour of service for each hour for which you are paid or entitled to be paid for the performance of duties. Up to 501 Hours of Service may be credited for continuous non-working periods of time during which you perform no duties such as holidays, vacations, and sick time. You will be credited with Hours of Service equal to the Hours of Service you would have completed for certain absences for military duty, provided that you return to employment with the Hospital within the required time period following your leave.

**Managed Affiliate.** Managed Affiliate are those entities listed in Schedule A.

**Plan Administrator.** The Hospital is the administrator of the Plan.

**Plan Year.** The Plan Year begins each July 1 and ends on June 30.

**Qualified Military Service.** Qualified military service is any period of time for which you are absent for military service under leave granted by the Hospital or required by law, provided you return to employment while your right to reemployment is protected by law.

**Year of Service.** A year of service is any Plan Year during which you earn at least 1,000 Hours of Service.

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## **Plan Highlights**

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When you become a Retirement Plan participant, an individual account is established in your name. Each pay period the Hospital contributes an amount based on your compensation and your age.

Except in certain circumstances, the Retirement Plan is designed to provide for the payment of benefits at the time you retire, terminate employment at age 55 or older, or die. Your ultimate benefit under the Retirement Plan is generally based on all amounts contributed on your behalf, increased by investment income and gains allocated to your account and decreased by losses and expenses.

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## **Participation**

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### **Eligibility**

You are eligible to participate in the Retirement Plan if you: (1) have attained age 21, (2) are a regular full-time senior administrator (as designated by the Hospital), and (3) complete 1,000 Hours of Service in either your first 12 months of employment or in any Plan Year after you begin employment. Service with a Managed Affiliate completed during the five year period of employment immediately preceding your employment date with the Hospital is considered in determining your service for the purpose of eligibility.

You are not eligible to participate if you are a leased employee, an independent contractor, the Hospital determines that you are not a common law employee, render services to the Hospital under which your wages or remuneration is paid by a third party service provider or temporary service agency, or if you are covered by a collective bargaining agreement, unless the collective bargaining agreement specifically provides for participation in the Retirement Plan.

Prior service with a Managed Affiliate will also count towards participation if earned within five years of the date of your hire at the Hospital.

### **When Participation Begins**

New participants will enroll in the Retirement Plan at the start of the first pay period in which you meet the eligibility criteria.

The years you work in any position at the Hospital count toward your years of service in the Retirement Plan. For example, any service you have at Thomas Jefferson University Hospital is used in determining eligibility if you later are appointed to a Senior Administrative position.

In order for your participation to begin, you need to complete application forms indicating your choice of investments, and participation forms required by the Hospital. These forms are available in the Benefits Office at the Hospital. If you do not complete the enrollment forms and return them to the appropriate entity, contributions to your account will automatically be invested with Fidelity Investments.

You remain a participant so long as you have an account under the Retirement Plan.

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## How the Retirement Plan Works

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### The Hospital Contributions

The Retirement Plan is what is known as a defined contribution plan. That means the annual contribution made by the Hospital on your behalf is determined by a set schedule of contributions.

The amount the Hospital contributes on your behalf is based on two things: your compensation and your age. Contributions are made on a bi-weekly basis during each year you participate in the Retirement Plan. However, no contributions are made for periods of time in which no base salary is earned, with the exception of periods of Long Term Disability, or if you are not an employee on the last day of the payroll period. Also, the amount of compensation that may be taken into account annually is limited by law. For 2004, the limit is \$205,000.

#### SCHEDULE OF CONTRIBUTIONS

Your Age	Percentage of Your Base Compensation
Under age 40	9%
Age 40 through age 49	11%
Age 50 to normal retirement date	13%

Your age is determined assuming your birthday is the first day of the month in which it actually occurs.

**Compensation.** The compensation used to calculate contributions is your base rate of compensation as in effect on the last day of any biweekly pay period, exclusive of any bonus, overtime, or other forms of additional compensation. Additional compensation to faculty members for summer employment is not treated as compensation.

**During a Leave of Absence.** During a medical leave of absence or sabbatical leave, the Hospital will continue its Retirement Plan contributions to your annuities, at the specified rate, on the basis of salary then being paid by the Hospital. If you are making voluntary contributions, they can also continue during your leave if continuation of salary is provided.

### Your Contributions

**Voluntary Contributions.** Voluntary contributions are made pursuant to your authorization on a tax-deferred basis according to the provisions of Sections 403(b) of the Internal Revenue Code. You may invest your voluntary contributions with the Retirement Plan or set up a separate, supplemental tax-deferred annuity with any investment company with which the Hospital has a

custodial arrangement. When you become eligible to participate in the Plan, you will receive participation forms which allow you to designate the amount of your compensation to be contributed to the Plan as voluntary contributions or catch-up contributions (if applicable).

The annual limit on the amount of your voluntary contributions for any year may not be greater than the amount permitted by federal tax law. In 2004, this amount is \$13,000. This limit is increased annually until 2006 and thereafter is adjusted periodically for inflation. If your voluntary contributions under the Retirement Plan, plus your pre-tax contributions under any other plan, exceed this limit in any year, you may request that the excess amount (with earnings) be paid to you from the Retirement Plan. Such a request must be made to the Plan Administrator in writing no later than the March 1 following the calendar year in which the excess contributions were made. If you do not request a distribution of excess amounts, you will be deemed to have made such a request.

***Catch-up Contributions.*** Effective January 1, 2002, a new type of contribution, not subject to other limits, the “catch-up” contribution was made available to individuals who are age 50 or older by the end of the tax year. The limit on catch-up contributions for 2004 is \$3,000 and increases \$1,000 each year to \$5,000 in 2006. The catch-up contribution option is only applicable when you otherwise make the maximum contribution for the plan year.

You are not required to make catch-up contributions. Also, if you are age 50 or older, and your voluntary contributions must be reduced to meet limitations, certain of your deferral amounts may be recharacterized as catch-up contributions. The Plan Administrator will inform you if this occurs.

***Changing Your Elections.*** You may discontinue or change the amount of your voluntary contributions or catch-up contributions at any time by filing a new form with the Benefits Office.

***Rollover Contributions.*** If you receive a distribution from an eligible rollover plan, you may, with approval from the Plan Administrator, contribute all or a portion of the distribution to the Retirement Plan as a rollover contribution. However, you may not contribute after-tax contributions as a part of any rollover contribution. Rollover contributions must be made to the Retirement Plan within 60 days after the day you receive the distribution.

You may wish to contact your personal tax advisor before making a rollover contribution to the Retirement Plan.

## **Qualified Military Contributions**

If you return to employment following a period of qualified military service, you will be permitted to make additional voluntary contributions and catch-up contributions, up to the amount that you would have been permitted to contribute if you had continued to be employed and received pay during the period of qualified military service. You must make these contributions during the period beginning on the date you return to employment and ending on the earlier of (1) the date that is three times the length of the military service or (2) five years. Also, the Hospital will make contributions up to the amount that would have been made if you had continued to be employed and received pay during the period of qualified military service.

## **Limits on Contributions**

Federal law limits the total amount of Hospital contributions that can be made on your behalf in any Plan Year. Annual contributions made by the Hospital on your behalf may not exceed the lesser of \$40,000 or 100% of your compensation for the Plan Year. The \$40,000 limit will be adjusted periodically for cost of living changes as required by United State Treasury Department regulations. Your compensation for the purposes of determining this limit includes all of your salary and wages reportable on your W-2 Wage Statement. In addition, if you are a participant in more than one qualified retirement plan sponsored by the Hospital or a 50% affiliate, federal law limits the total amount of contributions and benefits you may receive under all such plans. A representative of the investment company you have chosen will assist you in determining your maximum contributions each year.

## **Vesting**

Vesting refers to your rights to your account balance. You are immediately 100% vested in your account balance. You may receive payment of your account on or after your early retirement date.

## **How Contributions Are Invested**

At the time you become a Retirement Plan participant, you elect how your account is to be invested. Retirement Plan contributions are forwarded to your account on a biweekly basis. You may invest your account in a variety of funds offered under the Retirement Plan. Complete details on the specific investment funds that are available will be provided to you at the time you become a Retirement Plan participant and may be obtained at any other time by contacting the applicable investment company as listed in Schedule B. Your election on how contributions are to be invested will remain in effect until you change it.

You may change your investment election for future contributions at any time in accordance with procedures. You may also choose at any time to transfer an existing portion of your account from one investment fund to another. Your change of investment election will be put into effect as soon as administratively feasible. You will be responsible for the allocation of your account balances among the investment funds that are offered.

The Retirement Plan is intended to be a plan described in section 404(c) of ERISA and Title 29 of the Code of Federal Regulations section 2550.404c-1. Section 404(c) of ERISA provides that if a plan, such as the Retirement Plan, permits a participant to exercise control over the investment of the assets held in his or her account, persons who are otherwise fiduciaries of the plan will not be liable for any loss which is the direct and necessary result of the participant's exercise of such control. Thus, the Hospital or Plan Administrator and other fiduciaries of the Retirement Plan may be relieved of liability for any losses that are the direct result of any investment directions you may make.

The available funds are subject to change at any time. Please keep in mind that each investment fund has its own set of investment strategies and objectives, and there are varying degrees of investment risk associated with each fund. A detailed description of each fund and its

investment strategies and objectives is contained in the fund's prospectus, a copy of which can be obtained from the investment companies listed in Schedule B. Before directing the investment of any portion of your account under the Retirement Plan to any fund, you should carefully read the prospectus for that particular fund, and you might consider consulting an investment advisor. If you do not make an investment election or if your investment election is unclear, your account will be invested in a fund designated by your investment company.

You may allocate contributions among the investment funds in any whole-number proportion. You may specify the percentage of contributions to be directed to the investment funds when you begin participation. You may change your allocation of future contributions after you begin participating by contacting the applicable investment company directly as indicated in Schedule B attached.

The investment company may reserve the right to suspend or terminate your right to change allocations by phone or the Internet.

A statement of your account will be issued every quarter.

***Transfers Between Investment Companies.*** In addition to the restrictions described herein, there may be additional restrictions on transfers of funds, if such transfers are permitted, between investment companies. Please refer to the prospectus for the investment company to determine whether fund transfers are permitted and the applicable restrictions.

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## **When You Can Retire**

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Your normal retirement date is the first of the month following or coincident with your 65th birthday. You may also elect early retirement on any first of the month following your 55th birthday or a late retirement on any first of the month following your normal retirement date. However, payment of benefits accrued after December 31, 1986 may be deferred until no later than the April 1st following attainment of age 70 ½.

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## **Retirement Benefits**

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Generally, you must begin to receive distribution of your retirement benefits accrued after December 31, 1986 no later than April 1st of the calendar year following the later of (i) the calendar year in which you reach age 70 ½; or (ii) the calendar year in which you terminate employment.

You may elect different starting dates for funds invested with different investment companies.

### **How Your Retirement Income Is Paid**

You may elect to receive your retirement benefit in the forms offered by the investment company with which your account is invested. If you are married or have an Eligible Domestic Partner at the time you retire, the automatic form of benefit under the Retirement Plan is a joint and survivor annuity. Your spouse or Eligible Domestic Partner must sign a consent form if you designate a beneficiary other than your spouse or Eligible Domestic Partner, if you elect an

annuity option offering your spouse or Eligible Domestic Partner less than a 50% survivor's benefit, or if you elect another form of benefit.

## **Benefit Commencement**

You may begin to receive your retirement income by contacting the investment company or companies with which your account is invested. Please refer to Schedule B for investment company contact information. In any event, your election to commence benefits must be made not more than 90 days prior to the date your benefits begin.

## **Spousal Consent and Beneficiary Designations**

If you are married or have an Eligible Domestic Partner before your benefits begin, your survivor annuitant/beneficiary will be your spouse or Eligible Domestic Partner at the time of your death, unless your spouse or Eligible Domestic Partner consents to another beneficiary as described below. If your benefits begin before your death, your beneficiary will be your spouse or Eligible Domestic Partner at the time that benefits began to be paid (unless your spouse or Eligible Domestic Partner consented to another beneficiary as described below and, if applicable, properly waived his or her rights to a qualified joint and survivor annuity).

If your spouse or Eligible Domestic Partner cannot be located you do not need to receive your spouse's or Eligible Domestic Partner's consent. If you have a court order establishing that you are legally separated from your spouse and have been abandoned, you do not need to receive your spouse's consent unless a qualified domestic relations order provides that your spouse's consent must be obtained. Otherwise, your spouse's or Eligible Domestic Partner's consent must meet the following requirements:

- the consent must be in writing;
- your spouse or Eligible Domestic Partner must consent to the specific optional form of benefit you have elected or your right to choose any optional form without any further consent by the spouse or Eligible Domestic Partner;
- your spouse or Eligible Domestic Partner must consent to the specific beneficiary or beneficiaries and acknowledge your right to designate future beneficiaries without your spouse's or Eligible Domestic Partner's consent;
- your spouse or Eligible Domestic Partner must acknowledge the effect of the designation (i.e., that your spouse or Eligible Domestic Partner is no longer entitled to the remainder of your account upon your death);
- your designation of an alternate beneficiary must be made on or after the first day of the Plan Year during which you attain age 35; and
- the consents must be witnessed by a notary public.

If you have elected a qualified joint and survivor annuity certain other requirements regarding the timing of your spouse's or Eligible Domestic Partner's consent may apply. You will be notified of these requirements in the event they apply to you and your spouse or Eligible Domestic Partner.

If your spouse or Eligible Domestic Partner is legally incompetent, his or her legal guardian may execute the spousal or Eligible Domestic Partner consent.

**Single Participants.** If you are not married, you may name anyone as your beneficiary. The Plan Administrator will provide forms on which to designate your beneficiary.

You must file your beneficiary designation with the investment company/companies with which your account is invested.

If no beneficiary is named or living at the time of your death, your account will be paid to your estate.

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## **Death Benefits**

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If you die before retirement benefit payments begin, the full current value of your account, including the portion attributable to Retirement Plan contributions made by the Hospital, becomes payable to your surviving spouse or Eligible Domestic Partner or beneficiary or beneficiaries.

### **Pre-Retirement Death Benefit Options**

Generally, if you die before commencing benefit payments, your surviving spouse or Eligible Domestic Partner or designated beneficiary may elect any optional form of benefit available through the investment company with which your account is invested. However, you may, with your spouse's or Eligible Domestic Partner's consent, designate the form of payment to be made. Spousal or an Eligible Domestic Partner's consent is not required if you elect a life annuity for your spouse or Eligible Domestic Partner.

### **Timing of Death Benefits**

Your beneficiary can generally elect when he or she would like to receive the benefit payment, subject to the following requirements: (a) a single sum payment must be made prior to December 31 of the year that falls five years after your death, and (b) a life annuity or installment form of payment must begin by the December 31 of the year following the year of your death, or, if your beneficiary is your spouse, the calendar year in which you would have attained age 70 ½, if later.

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## **How to Apply for Benefits**

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Benefits to which plan contributions have been made will be payable when your completed application for benefits and the required supporting documents are received. Your investment company will provide you or your beneficiary with the necessary forms.

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## **Withholding and Rollovers**

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In general, all employee contributions after January 1, 1968 have been on a salary reduction (tax-sheltered) basis. Under present law, any portion of your annuity income attributable to your own

contributions on which you were taxed will not be taxed as you receive it. The portion of your annuity income which includes the part attributable to employer contributions, employee contributions which were tax sheltered, and to investment earnings will be subject to federal income tax as you receive it.

A distribution of taxable income that is made in installments over 10 years or more or a required minimum distribution beginning no later than the April 1st following your attainment of age 70½ is subject to federal income tax withholding, unless you elect not to have tax withheld. You will receive a tax withholding election form before you receive such a distribution. If you elect to have tax withheld from the distribution, by law, the withheld amount will be calculated according to schedules published by the Internal Revenue Service. In certain cases, the amount withheld may not cover the actual tax due.

### **Direct Rollovers**

You may request that all or part of any eligible rollover distribution you receive from the Retirement Plan, other than a required minimum distribution after age 70½, an annuity payment, or one of a series of installment payments being made over an individual's life expectancy or 10 or more years, be rolled over directly from the Trustee to the trustee or custodian of an eligible rollover plan. The Plan Administrator will notify you if any amount to be distributed to you is an eligible rollover distribution for which this transfer election is available. If you receive an eligible rollover distribution (for example, a distribution of pre-tax contributions and earnings) from the Retirement Plan that you do not have transferred directly to an eligible retirement plan, federal law generally requires the automatic withholding of 20% of the distribution as federal income taxes. You are not permitted to elect not to have tax withheld on such a distribution. A penalty may also apply.

### **In General**

Because tax consequences of distributions vary depending on factors such as age, marital status, and other income, you are urged to consult your personal tax advisor to determine how to treat any distribution for tax purposes.

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## **Benefit Reduction**

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### **Non-Assignment of Benefits**

Federal law provides that you may not borrow against the value of your account or assign your rights under the Retirement Plan as collateral for a loan or for any other purpose. Your interest in the Retirement Plan is also not subject to any lien, execution, garnishment, attachment, or pledge, except to satisfy a Qualified Domestic Relations Order ("QDRO"). While the Employee Retirement Income Security Act of 1974 ("ERISA") generally protects plan benefits against creditors, a QDRO is an exception. A QDRO is a court order that creates or recognizes an alternative payee's (for example, your spouse, former spouse, or child) right to part or all of your plan benefits. The Administrator will notify you if the Retirement Plan receives a domestic relations order and will also determine, within a reasonable period of time, if the order is

qualified. You and each alternate payee will be notified of the decision. To obtain a copy of the Retirement Plan's procedures free of charge, contact the Plan Administrator.

### **Loss of Benefits**

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

- all or a portion of your benefits are directed to be paid to your spouse, former spouse or child pursuant to a qualified domestic relations order;
- your benefits are subject to a federal tax levy, or used to offset amounts that certain judgments or settlement agreements require you to pay to the Plan;
- you do not provide the Plan Administrator with your most recent address and you cannot be located;
- you fail to make proper application for benefits or fail to provide information necessary for the Retirement Plan to make a distribution; or
- the value of your account decreases due to investment losses.

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### **Request for Information and Other Claims Procedures**

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Requests for information, and claims or service of legal process concerning eligibility, participation, contributions, or other aspects of the operation of the Retirement Plan should be in writing and directed to the Plan Administrator.

The Plan Administrator will advise you of any benefits to which you are entitled under the Retirement Plan. If you believe that the Plan Administrator has failed to provide you with any benefit to which you are entitled under the Retirement Plan, you may file a written claim with the Plan Administrator. The Plan Administrator will respond to your claim within 90 days (or in special cases, and upon prior written notice to you, 180 days). If you are denied a claim for benefits, the Plan Administrator will provide you with a notice setting forth in simple terms:

- the specific reason or reasons for the denial;
- specific reference to the Retirement Plan provisions upon 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 Retirement 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 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 sixty days of the date that 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 Plan Administrator. In connection with such review, you or your duly authorized representative may review relevant documents and may submit issues and comments in writing. The Plan Administrator will make a decision promptly,

and not later than 60 days after receipt of the request for review, unless special circumstances (such as the need to hold a hearing, if appropriate) 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:

- the specific reason or reasons for the denial;
- specific reference to the Retirement Plan provisions upon 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 Plan Administrator's decision on review will be final and binding on all parties. No person may bring an action for any alleged wrongful denial of Retirement Plan benefits in a court of law unless the claims procedures set forth above are exhausted and a final determination is made by the Plan Administrator. 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 Plan Administrator, a review by the court of law will be limited to the facts, evidence and issues presented to the Plan Administrator 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 Plan Administrator for reconsideration of the claims determination. Issues not raised with the Plan Administrator will be deemed waived.

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## **Other Important Information**

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### **Annuity Contracts**

Each annuity contract issued under the Retirement Plan is for the sole purpose of providing a retirement or death benefit. All benefits under the Retirement Plan are provided through individually owned, fully funded annuity contracts and therefore are not subject to, nor covered by, federal retirement plan termination insurance.

All contributions made under the provisions of the Retirement Plan are for the exclusive purpose of providing retirement or death benefits.

### **Plan Administrator**

The Plan Administrator is the Hospital. All matters relating to the administration of the Retirement Plan, including the duties imposed upon the Plan Administrator by law and the interpretation of Retirement Plan provisions, except those duties relating to the control or management of Retirement Plan assets other than the selection of available investment funds, are the responsibility of the Plan Administrator. The Plan Administrator has the authority, in the Plan Administrator's sole discretion, to interpret the Retirement Plan and resolve ambiguities therein, to develop rules and regulations to carry out the provisions of the Retirement 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 Plan Administrator pursuant to the Plan Administrator's authority shall be subject to review only for abuse of discretion.

## **Termination and Amendment of the Retirement Plan**

It is expected that the Retirement Plan will continue indefinitely, but the Hospital reserves the right to modify, suspend or discontinue contributions to the Retirement Plan at any time. The Hospital may decide to amend or terminate the Retirement Plan because of a change in federal or state laws governing retirement benefits, the requirements of the Internal Revenue Service or Department of Labor or for any reason whatsoever. The Hospital may transfer Retirement Plan assets and liabilities to another plan or split the Retirement Plan into two or more parts.

In the event of termination or complete discontinuance of contributions to the Retirement Plan, accounts will be distributed in accordance with applicable law. No events, other than those special circumstances permitted by the Retirement Plan, will cause any assets in participants' accounts to be returned to the Hospital.

No amendment to the Retirement Plan will reduce your vested interest in the portion of your account attributable to contributions made before the amendment. If the vesting schedule of the Retirement Plan is amended, and if you have three or more years of service to your credit, you may elect to have your vested interest in future contributions determined under the old vesting rules. However, the Retirement Plan may be amended to change the formula which determines the amount of future Hospital contributions allocated to your account.

## **Termination Insurance**

The Employee Retirement Income Security Act of 1974 (ERISA) created the Pension Benefit Guaranty Corporation (the PBGC), which provides federal insurance for certain retirement benefits. The benefits under the Retirement Plan are not insured by the PBGC. The PBGC insures only pension plans that promise a fixed level of benefits without regard to whether sufficient contributions have actually been made. Under the Retirement Plan, the benefits promised are exactly equal to contributions actually made (adjusted for withdrawals, distributions and investment experience), so no insurance is provided.

## **General Information**

**Name of the Plan.** Thomas Jefferson University Hospitals, Inc. Retirement Plan for Senior Administrative Staff. This summary is an explanation of the Retirement Plan.

**Plan Sponsor.** Thomas Jefferson University Hospitals, Inc. is the sponsor of the Retirement Plan. You may contact the plan sponsor at:

Benefits Office  
Thomas Jefferson University Hospitals, Inc.  
201 South 11th Street  
Philadelphia, PA 19107-5571

**IRS Identification Number of Plan Sponsor.** 23-2829095.

**Plan Number.** 003.

**Type of Plan.** Defined Contribution.

**Plan Administrator.** The Hospital is the administrator of the Retirement Plan.

**Type of Administration.** The Hospital may delegate powers or duties to an individual or committee by resolution of the Board of Trustees.

**Agent for the Service of Legal Process.** The Plan Administrator. Service may also be made on the Trustee.

**Plan Year.** The Plan Year begins each July 1 and ends each June 30.

## **ERISA Rights Statement**

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

### **Receive Information About Your Retirement Plan and Benefits**

Examine, without charge, at the plan administrator’s office and at other specified locations, such as worksites and union halls, 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, including insurance contracts, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The 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 your current account balance and whether you have a right to receive a vested benefit at normal retirement age 65. If you do not have a vested right to a benefit, the statement will tell you how many more years you have to work to earn a vested right. This statement must be requested in writing and is not required to be given more than once every 12 months. The plan must provide the statement free of charge.

### **Prudent Actions by Plan Fiduciaries**

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. 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 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 the 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 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 status of a qualified domestic relations order, you may file suit in a Federal court. If it should happen that the 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, 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.

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## Schedule A

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### **Managed Affiliates** *(as of January 1, 2003)*

Please check with the Plan Administrator to see if other entities have been designated as Managed Affiliates.

Thomas Jefferson University

Thomas Jefferson University Hospital – Ford Road Campus

Children’s Rehabilitation Hospital

Methodist Hospital

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## Schedule B

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### Investment Companies Available Under the Retirement Plan

Investment Company	Web Address	Customer Service #/ Hours of Operation
TIAA CREF	<a href="http://www.tiaa-cref.org">www.tiaa-cref.org</a>	1-800-842-2776 Mon – Fri 8 A.M. – 10 P.M. Sat 9 A.M. – 6 P.M.
Vanguard	<a href="http://www.vanguard.com">www.vanguard.com</a>	1-800-523-1188 Mon – Fri 8:30 A.M. – 9 P.M.
Fidelity	<a href="http://www.fidelity.com/atwork">www.fidelity.com/atwork</a>	1-800-343-0860 Mon – Fri 8 A.M. – Midnight