Summary Plan Description

Retirement Plan
## Retirement Plan

### Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan Overview</td>
<td>1</td>
</tr>
<tr>
<td>Retirement Plan Overview</td>
<td>1</td>
</tr>
<tr>
<td>Plan Highlights</td>
<td>2</td>
</tr>
<tr>
<td>Eligibility and Participation</td>
<td>3</td>
</tr>
<tr>
<td>Accessing Your Account</td>
<td>3</td>
</tr>
<tr>
<td>Plan Administration</td>
<td>4</td>
</tr>
<tr>
<td>Benefits Committee</td>
<td>4</td>
</tr>
<tr>
<td>Trust and Trustee</td>
<td>4</td>
</tr>
<tr>
<td>Recordkeeper</td>
<td>4</td>
</tr>
<tr>
<td>Plan Service</td>
<td>5</td>
</tr>
<tr>
<td>Service</td>
<td>5</td>
</tr>
<tr>
<td>Vesting</td>
<td>5</td>
</tr>
<tr>
<td>Break in Service</td>
<td>5</td>
</tr>
<tr>
<td>Amount of Retirement Benefit</td>
<td>6</td>
</tr>
<tr>
<td>Cash Balance Account</td>
<td>6</td>
</tr>
<tr>
<td>Cash Balance Formula</td>
<td>6</td>
</tr>
<tr>
<td>Contribution Credits</td>
<td>6</td>
</tr>
<tr>
<td>Interest Credits</td>
<td>7</td>
</tr>
<tr>
<td>Cash Balance Monthly Benefit</td>
<td>7</td>
</tr>
<tr>
<td>Termination and Rehire</td>
<td>8</td>
</tr>
<tr>
<td>Reemployment Before Commencement of Benefit</td>
<td>8</td>
</tr>
<tr>
<td>Reemployment After Commencement of Benefit in a Lump Sum</td>
<td>8</td>
</tr>
<tr>
<td>Reemployment After Commencement of Benefit in an Annuity</td>
<td>8</td>
</tr>
<tr>
<td>Reemployment with Unvested Account</td>
<td>8</td>
</tr>
<tr>
<td>Disabled Employee</td>
<td>8</td>
</tr>
<tr>
<td>How Your Benefit Is Paid</td>
<td>9</td>
</tr>
<tr>
<td>Forms of Distribution</td>
<td>9</td>
</tr>
<tr>
<td>Normal Forms of Payment</td>
<td>9</td>
</tr>
<tr>
<td>Married Participants</td>
<td>9</td>
</tr>
<tr>
<td>Single Participants</td>
<td>9</td>
</tr>
<tr>
<td>Optional Forms of Payment</td>
<td>10</td>
</tr>
<tr>
<td>Taxation of Distribution</td>
<td>11</td>
</tr>
<tr>
<td>Lump-Sum Payment Form of Payment</td>
<td>11</td>
</tr>
<tr>
<td>Normal Form of Payment or Optional Form of Payment Other Than Lump-Sum Payment</td>
<td>11</td>
</tr>
<tr>
<td>Seek Tax or Financial Advice</td>
<td>11</td>
</tr>
<tr>
<td>Distribution Upon Death</td>
<td>12</td>
</tr>
<tr>
<td>Designation of Beneficiary</td>
<td>13</td>
</tr>
<tr>
<td>Commencing Your Benefit</td>
<td>13</td>
</tr>
<tr>
<td>Concerning The Plan and Plan Benefits</td>
<td>14</td>
</tr>
<tr>
<td>Amendment and Termination</td>
<td>14</td>
</tr>
<tr>
<td>Assignment of Benefits</td>
<td>14</td>
</tr>
<tr>
<td>Qualified Domestic Relations Order</td>
<td>14</td>
</tr>
<tr>
<td>PBGC Guarantee of Benefits</td>
<td>15</td>
</tr>
<tr>
<td>Military Service and Benefits Under the Plan</td>
<td>15</td>
</tr>
<tr>
<td>Maximum Benefits</td>
<td>15</td>
</tr>
<tr>
<td>Cost</td>
<td>15</td>
</tr>
<tr>
<td>Suspension of Benefits</td>
<td>15</td>
</tr>
<tr>
<td>How Your Benefit May Be Lost or Suspended</td>
<td>16</td>
</tr>
<tr>
<td>Plan Sponsor Information</td>
<td>16</td>
</tr>
<tr>
<td>Claims</td>
<td>17</td>
</tr>
<tr>
<td>Claims Procedure</td>
<td>17</td>
</tr>
<tr>
<td>Claims Review Procedure</td>
<td>17</td>
</tr>
<tr>
<td>Standard of Judicial Review of Claims Administrator Decisions</td>
<td>18</td>
</tr>
<tr>
<td>ERISA Rights Statement</td>
<td>18</td>
</tr>
<tr>
<td>General Plan Information</td>
<td>20</td>
</tr>
<tr>
<td>Name of Plan</td>
<td>20</td>
</tr>
<tr>
<td>Sponsor of the Plan</td>
<td>20</td>
</tr>
<tr>
<td>Plan Recordkeeper</td>
<td>20</td>
</tr>
<tr>
<td>Plan Trustee</td>
<td>20</td>
</tr>
<tr>
<td>Plan Year</td>
<td>20</td>
</tr>
<tr>
<td>Service of Legal Process</td>
<td>20</td>
</tr>
<tr>
<td>Identification Numbers</td>
<td>20</td>
</tr>
<tr>
<td>Plan Administrator</td>
<td>20</td>
</tr>
<tr>
<td>Type of Plan</td>
<td>20</td>
</tr>
<tr>
<td>No Guarantee of Employment</td>
<td>20</td>
</tr>
<tr>
<td>Controlling Law</td>
<td>20</td>
</tr>
<tr>
<td>Clerical Error</td>
<td>21</td>
</tr>
</tbody>
</table>
Plan Overview

The CenterPoint Energy Retirement Plan (the “Retirement Plan” or “Plan”) is sponsored and maintained by CenterPoint Energy, Inc. (the “Company”) to provide you a portion of your retirement income. This document constitutes the Summary Plan Description ("SPD") of the cash balance provisions of the Retirement Plan as in effect on June 1, 2016. The Retirement Plan is a tax‑qualified retirement plan under Section 401(a) of the Internal Revenue Code (the “Code”).

Note: If you are a Grandfathered Participant (defined in Eligibility and Participation), you are eligible for the “Grandfathered Benefit” under the Plan, which is described in a separate Summary Plan Description.

Retirement Plan Overview

<table>
<thead>
<tr>
<th>When Eligible</th>
<th>You are eligible to participate in the Retirement Plan on your first day of work if you meet the Plan’s eligibility requirements (see Eligibility and Participation).</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Need To Enroll</td>
<td>If you are eligible to participate in the Plan, you are automatically enrolled.</td>
</tr>
<tr>
<td>Contribution Credits</td>
<td>The Company will make a contribution credit to your cash balance account equal to 5% of your eligible pay each year beginning after December 31, 2008.</td>
</tr>
</tbody>
</table>
Plan Highlights

Here are some highlights of the cash balance provisions of the Plan:

• The Plan sets up a cash balance account in your name.

• Your account receives a contribution credit equal to 5% of your annual eligible pay and interest.

• The interest rate on your cash balance account is equal to the average return on 30-year Treasury securities for November of the prior year.

• You can access your Retirement Plan cash balance account online at http://resources.hewitt.com/centerpoint to check your balance or estimate your pension benefit.

• You are fully vested in your account balance after completing three years of service.

• When you leave the Company, generally, you can take your vested account balance with you or you may leave it in the Plan to continue to grow until you reach age 70½.

• The total amount of your account balance is based on:
  – Your years of participation in the Plan;
  – Your eligible pay earned during those years; and
  – How your account accumulates.

• The Company pays the full cost of the Plan.

• The Plan is insured by the Pension Benefit Guaranty Corporation, an agency of the federal government.

This SPD describes, in non-technical language, the major provisions of the Plan. For example, it explains how you become a participant in the Plan, how much the Company contributes to the Plan, and how your benefits are determined and paid to you.

It is important to understand that this document is only a summary and thus it cannot — and does not — cover all the details of the Plan or how the Plan’s rules will apply to every person in every situation. The Plan is governed by the official Plan documents, which include the Plan document, related trust agreement and collective bargaining agreements, if applicable. Upon written request, you may obtain copies of the official Plan documents from the Plan Administrator, which is the Benefits Committee of CenterPoint Energy, Inc. (the “Benefits Committee”), and you may be charged for copying costs.

Note: The descriptions in this SPD are based on official Retirement Plan documents. If there is a disagreement between this SPD and the Retirement Plan documents, the official Plan documents always control and govern.
Eligibility and Participation

Except as provided below, if you are employed by the Company or a subsidiary or an affiliate of the Company that has adopted the Plan (an “Employer”), you are eligible to participate in the Plan as of the first date you complete one hour of service with your Employer.

You are not eligible to participate in the Plan if you are: 1) a “Leased Employee” (as defined in the Plan); 2) an independent contractor; 3) an individual who is a nonresident alien and who receives no United States-source earned income from an Employer; or 4) covered by a collective bargaining agreement that does not provide for participation in the Plan.

Grandfathered Participant

If you were: 1) employed by the Company or an Employer on January 1, 1999; and 2) a participant in the Houston Industries Retirement Plan, the Minnegasco Division Employees Pension Plan or the NorAm Energy Corp. Employees Retirement Plan on December 31, 1998 as an active employee, then, provided you are continuously employed by the Company or an Employer since January 1, 1999, you are a “Grandfathered Participant” and eligible for certain transition benefits under the Plan. The summary of those benefits are provided in a separate Summary Plan Description.

Grandfathered Union Member

If, as of December 31, 1998, your employment was covered by the Local 66 collective bargaining agreement and you were age 35 or older, and you terminate employment after January 1, 2009, you are eligible for an alternate transition benefit based on your benefit under the Houston Industries Retirement Plan. A summary of this benefit is provided in a separate SPD.

Accessing Your Account

You are able to access your Retirement Plan cash balance account and obtain information about your account online and the Plan generally 24 hours a day, seven days a week, by one of the following methods:

- The Company’s Human Resources Web site http://CNPToday.com, select the Career and Life link and then the Benefits tab; or

Access to your Plan account requires you to enter your user name and your password.

You may speak to a Plan representative Monday through Friday from 8:30 a.m. to 4:30 p.m. (Central Time) by calling the Retirement Plan Center at 800-687-5770.
Plan Administration

Benefits Committee

The Plan is administered by the Benefits Committee, which is a committee consisting of not less than three members who are appointed by the Company's Board of Directors. These Benefits Committee members serve without any compensation from the Plan. The Board designates the term for which the Benefits Committee members serve and may remove a Benefits Committee member and appoint a successor at any time. Members of the Benefits Committee are not required to be employees of the Company or an Employer. The Company indemnifies Benefits Committee members against expenses and liabilities arising from their Benefits Committee membership, except for those caused by a member's willful misconduct or gross negligence. Additional information about the Plan and the Benefits Committee may be obtained by contacting the Retirement Plan Center by telephone at 800-687-5770, or by mail at CenterPoint Energy, Inc., P.O. Box 61867, Houston, TX 77208-1867.

In addition to administering the Plan, the Benefits Committee interprets the Plan and reconciles any inconsistencies or supplies omitted details in a manner consistent with the general terms of the Plan.

Trust and Trustee

The Company maintains the CenterPoint Energy, Inc. Master Retirement Trust (the “Trust”) for the collective investment and reinvestment of Plan monies pursuant to the Plan rules. The Trust is under the exclusive management and control of the trustee, The Northern Trust Company (the “Trustee”), except when an investment manager has been appointed and is acting at the direction of the Benefits Committee. The Trustee may be replaced at any time by the Company upon at least 60 days' advance notice. This notice may be waived by the Trustee.

Recordkeeper

The Company has appointed Aon Hewitt (“Hewitt”) as Recordkeeper for the Plan. Hewitt is responsible for maintaining detailed records of your cash balance account.
Plan Service

**Service**

Your service for purposes of the Plan is based on the number of years, months and days that you are an employee of the Company, an Employer and any subsidiary or affiliate of the Company that has not adopted the Plan (“Affiliate”). Certain periods of time when you are not at work may also count toward your service. These periods of service are referred to as “authorized absences” and include the following:

- Absences due to accident or illness, as long as you continue to be an employee during the period, you remain eligible to return to work and you timely return to active employment upon your recovery;
- Qualified military service (as required by law);
- Disability leaves of absence; and
- Leaves for business and civic reasons approved by your Employer.

Your service ends, and thus you will have a “termination of service” (or “termination of employment”), on the earliest of the following dates:

- Your quitting, discharge or retirement;
- Your death; or
- Your termination of employment because you do not timely return to active employment after your authorized absence expires.

In the event: 1) your employment classification with the Company or an Employer changes such that you are not eligible to actively participate in the Plan; or 2) you cease to be an employee of the Company or an Employer, but continue to be employed by an Affiliate (a “Transferred Employee”), you will no longer be eligible to actively participate in the Plan (and thus will not earn further benefit accrual service). However, you will keep all benefits accrued by you under the Plan prior to the date you become a Transferred Employee, subject to normal vesting requirements (see **Vesting** below), and will continue to accrue vesting service for so long as you are employed as a Transferred Employee.

**Vesting**

You become fully vested in — that is, you have a non-forfeitable right — to your Plan benefit upon the completion of three years of vesting service. Your vesting service is based on your Plan service, which is based on all periods of your employment with the Company, an Employer or an Affiliate.

If your service terminates due to your death, you will be fully vested in your benefit as of your date of death, regardless of your years of service.

If you are eligible for, and receive, disability benefits under the Company’s long-term disability plan (the “LTD Plan”), you will receive service under the Plan for so long as you are receiving disability benefits under the LTD Plan and have not commenced your Retirement Plan benefit.

**Break in Service**

You will incur a “break in service” upon the expiration of the 12 consecutive month period following your termination of service. If you have a termination of service and are later rehired prior to incurring a break in service and have not started receiving your benefit under the Plan, then you will receive vesting service for the period of your absence. However, if you have a termination of service and are later rehired after incurring a break in service, then you will not receive service for vesting for the period of your absence although your service earned prior to your termination of service will not be forfeited.
Amount of Retirement Benefit

Your Plan benefit is stated in the form of a single, lump-sum payment based on your cash balance account.

Cash Balance Account

A bookkeeping account is established under the Plan in your name when you become a participant in the Plan (your “cash balance account”). Generally your opening account balance is zero.

Cash Balance Formula

Under the Plan’s cash balance formula, your cash balance account is increased by contribution credits and interest credits.

Contribution Credits

As of December 31st of each calendar year, provided you are employed by the Company or an Employer on such date, your cash balance account receives a “contribution credit” equal to 5% of your pay for that year. Your “pay” for purposes of the Plan includes your base pay plus overtime, shift differentials, and performance-based bonuses paid in cash.

Note: The Plan’s contribution credit from 1998–2008 was 4% of your eligible pay.

If you have a termination of service (or you become a Transferred Employee) during a calendar year, your account will receive a prorated contribution credit for that year equal to the total of 5% based on your pay earned for the period beginning January 1st of that year and ending on your termination of service date (or the date immediately prior to becoming a Transferred Employee).

Contribution credits will be made to your account while you are on “authorized absence” until the earlier of your attainment of age 65 or your termination of service.
Amount of Retirement Benefit (continued)

**Interest Credits**

As of December 31st of each calendar year, your account receives an “interest credit” based on your account balance as of January 1st that year — that is, prior to your account being increased by a contribution credit(s) for that year. Your account will continue to receive an interest credit each year, regardless of whether you are an active participant, a terminated employee or a Transferred Employee, until you begin to receive your benefit under the Plan. The interest rate used for the interest credit is the monthly average annual interest rate for the 30-year Treasury securities reported daily during the November of the preceding calendar year (the “applicable interest rate”).

For the calendar year during which you begin to receive, or are paid your retirement benefit, your account will receive an interest credit for the portion of the year prior to the commencement of your benefit.

No interest credits will be made to your cash balance account after you commence your benefit under the Plan.

**Example:**

Carter has the following information:

- Cash balance account on January 1, 2016: $50,000
- Pay for year 2016: $56,000

The applicable interest rate for 2016 is 2.80%.

Carter’s December 31, 2016 cash balance account is computed as follows:

- Beginning January 1, 2016 cash balance account: $50,000
- Plus: Contribution credit:  
  [$56,000 (2016 pay) × 5.00%] $2,800
- Plus: Interest credit:  
  [$50,000 × 2.80%] $1,400
- Ending December 31, 2016 cash balance account: $54,200

**Cash Balance Monthly Benefit**

While you may elect (with spousal consent, if married) to receive your benefit in the form of a single, lump-sum payment (among other options), the normal form of benefit under the Plan is a monthly benefit payable for your lifetime (or for your lifetime and that of your surviving spouse, if married when you commence your benefit) (see Forms of Distribution on page 9). To determine the amount of your monthly benefit, your cash balance account is converted by an actuarial present value factor and the resulting amount is your monthly benefit payable for your lifetime under the cash balance formula. The actuarial present value factor depends on your age and the interest rate at the conversion date. The conversion interest rate “look-back period” is based on the August rates of the preceding year.

**Example:**

John terminates his service in 2016 and elects to commence receiving his Plan benefit immediately upon his termination date in the form of monthly payments for his lifetime. John is not married when he terminates his service. John’s monthly benefit is based on the following information:

- Age at termination: 57
- Cash balance account at termination (which includes prorated contribution and interest credits for 2013): $102,000
- Age 57 actuarial equivalent conversion factor: 176.55954

John’s single life annuity monthly benefit at his termination date is computed as follows:

- \[ \frac{102,000}{176.55954} = 577.71 \]
Amount of Retirement Benefit (continued)

**Termination and Rehire**
If you terminate your service and you are later rehired, the amount of your cash balance account as of your rehire date depends on whether you were vested on your termination date and whether you commenced receiving, or were paid your benefit prior to your rehire date.

**Reemployment Before Commencement of Benefit**
If you are vested in your cash balance account and you terminate service, your account will continue to receive interest credits (but not contribution credits) following your termination date until you begin to receive your Plan benefit. If you are subsequently rehired by an Employer prior to taking your benefit under the Plan, and are eligible to participate in the Plan, your account will be eligible to receive contribution credits and interest credits from and after your rehire date.

**Reemployment After Commencement of Benefit in a Lump Sum**
If you are vested in your cash balance account as of your termination of service, take a lump sum distribution from the Plan, and are subsequently rehired by an Employer, then your account balance will be zero on your date of rehire and your prior service for vesting will be reinstated. Upon your reemployment you may repay to the Plan the amount of your lump sum distribution plus interest on such amount computed at the rate of 120% of the federal mid-term rate, compounded annually from the date of distribution to the date of repayment. Such repayment must be made prior to the occurrence of the earlier of: 1) five consecutive one-year breaks in service after the date of distribution; or 2) five years from the date of reemployment. If you make a repayment of your lump sum distribution upon reemployment, your opening account balance will be adjusted accordingly to reflect the repayment.

**Reemployment After Commencement of Benefit in an Annuity**
If you are vested in the cash balance account as of your termination of service, commence receipt of your retirement benefit in the form of an annuity, and are subsequently rehired by an Employer on or after May 1, 2008, then your annuity payment will continue to be made to you. You will be reinstated in the Plan with a zero opening balance in your cash balance account. At termination, the new cash balance account will be converted into the same form of payment as the original annuity and added to the cash balance annuity at the original commencement.

**Reemployment with Unvested Account**
If you are not vested in your cash balance account as of your termination of service, your account balance will be reinstated on your date of rehire to reflect the balance as of your termination date. Your account will be increased with interest credits (but not contribution credits) from the date of your termination of service through the date of your rehire, using the Plan’s appropriate historical applicable interest rates, and your prior service for vesting will be reinstated. Your reinstated account will be eligible to receive contribution credits and interest credits from and after your rehire date.

**Disabled Employee**
If you qualify for, and receive benefits from the LTD Plan, you continue to accrue a Plan benefit. During this time, your cash balance account is credited with contribution credits and interest credits. Your base pay immediately before your LTD Plan benefits began is used for the purpose of determining your contribution credits. Contribution credits will continue to be credited to your account until the earliest of: 1) the date you stop receiving LTD Plan benefits; 2) your attainment of age 65; or 3) you commence your Retirement Plan benefit. Your account will receive interest credits until you commence receipt of your retirement benefit.
How Your Benefit Is Paid

You will be eligible to receive your vested retirement benefit upon your termination of service.

If as of your termination of service the value of your benefit exceeds $5,000, generally your benefit will be paid or commence at your normal retirement age. However, you may elect to delay payment of your benefit until the later of: 1) the April 1st following the calendar year in which you attain age 70½; or 2) the April 1st following the calendar year of your retirement. However, if as of your termination of service the value of your benefit is $5,000 or less, your benefit will automatically be distributed in a single, lump-sum payment. Unless you affirmatively elect to receive the distribution directly or elect a direct rollover within 60 days of termination, the distribution will be paid directly to you (if $1,000 or less) or rolled over to an individual retirement account designated by the plan administrator in your name (if greater than $1,000 but not more than $5,000).

If your benefit is automatically rolled over to an IRA, it will be invested in an investment product designed to preserve principal and provide a reasonable rate of return and liquidity. Fees and expenses related to the IRA will be charged to your account and will not be paid by the Company or the Plan. Upon rollover to the IRA, no further benefits will be payable to you from the Plan. For more information concerning automatic rollovers and this IRA, call the CNP Retirement Plan Center at 800-687-5770 from 8:30 a.m. to 4:30 p.m. (Central Time), Monday through Friday.

Forms of Distribution

Normal Forms of Payment

Married Participants

If you are married when you start to receive your benefit under the Plan (and your benefit under the Plan exceeds $5,000), your normal form of benefit is in the form of a 50% joint and survivor annuity (“QJSA”), which is a monthly benefit paid to you for the rest of your life with a monthly benefit equal to 50% of your benefit paid to your spouse for the rest of her or his life after you die. Spouse is defined as the individual you are legally married to on your benefit commencement date (or your date of death if your death occurs prior to your benefit commencement date). Your benefit will be adjusted actuarially at commencement to offset the actuarial cost of the survivor benefit. If your spouse dies before you, the benefit ends at your death. Note that once your benefits commence, you are not able to change your spouse for purposes of the Plan.

Single Participants

If you are single when you start to receive your benefit under the Plan (and your benefit under the Plan exceeds $5,000), your normal form of benefit is in the form of a single life annuity, which is a monthly benefit paid to you for the rest of your life. The benefit ends when you die. Since this benefit is only paid to you, the monthly benefit is larger under this form of payment than under the QJSA form.
Forms of Distribution (continued)

Optional Forms of Payment

In lieu of receiving your benefit in the normal forms described above, you may elect to receive your benefit in one of the Plan’s optional forms of payment that is available to you based on your circumstances; provided, however, that if you are married when you start to receive your benefit, your spouse’s written, notarized consent is required to make a valid election. The following is a description of the optional forms of payment available under the Plan:

- **Lump-Sum Payment.** This is a single payment to you in the amount of your total account balance. No further benefit is provided under the Plan.

  **Note:** Please note that if you receive your Grandfathered Benefit in the form of a lump sum, your benefit will not be calculated using the Plan’s early retirement factors, but rather using the Plan’s normal retirement factors. Therefore, your lump sum Grandfathered Benefit will not reflect any early retirement subsidies. Exceptions apply to employees of IBEW Local 66 in the calculation of their lump sum using the 8.5% interest rate. This lump sum is based on an immediate conversion and does include any applicable early retirement factors.

Also note that, while not expected to happen, should the Plan’s funding status decrease to certain levels set forth by the Pension Protection Act, then it is possible that full or partial restrictions would be required on lump sum payments. You will be notified if this event should occur.

- **Single Life Annuity.** This is a monthly benefit you receive for the rest of your life. The annuity is equal to the actuarial value of your account paid over your expected lifetime. Your benefit ends when you die.

- **Joint and Survivor Annuity (50%, 66\(\frac{2}{3}\)%, 75% or 100%).** This is a monthly benefit you receive for the rest of your life with a benefit for the life of your surviving spouse or designated beneficiary after you die. This benefit gives you a monthly payment for life, then continues a monthly payment to your spouse or beneficiary, as applicable, for life that is 50%, 66\(\frac{2}{3}\)%, 75% or 100% of your monthly benefit, based on your payment option election. Your benefit will be adjusted actuarially at commencement to offset the actuarial cost of the survivor benefit. If your spouse or beneficiary, as applicable, dies before you, payments end when you die.

- **10-Year Certain and Life Annuity.** This is a monthly benefit you receive for the rest of your life. Your benefit will be adjusted actuarially at commencement to offset the actuarial cost of the survivor benefit. If you die before the first 10 years of payments have been made, your spouse or your designated beneficiary receives the same monthly benefit amount that you received for the remainder of the 10-year period and then the payments end. If both you and your spouse or beneficiary, as applicable, die before the first 10 years of payments have been made, the payments will continue to be made to the estate of the last one to die for the remainder of the 10-year period, and then the payments will end. If you die after the first 10 years of payments have been made, the payments will end upon your death and no further payments will be made to your spouse or beneficiary, as applicable.
Taxation of Distribution

Lump-Sum Payment Form of Payment

If you elect to receive your retirement benefit in the form of a single, lump-sum payment, you may choose to directly rollover all or any portion of your benefit to an IRA, a Roth IRA or another employer’s qualified retirement plan, 403(b) annuity plan or 457 governmental plan (collectively referred to as an “eligible retirement plan”). The portion of your benefit you elect to rollover:

- Will not be taxed in the year of the direct rollover into an eligible retirement plan, and no income tax will be withheld;
- Will be made payable to your IRA or another employer’s eligible retirement plan that accepts your rollover; and
- Will be taxed later when you take it out of the IRA or other employer’s eligible retirement plan.

Alternatively, to the extent you choose to have all or a portion of your single, lump-sum payment paid directly to you, with respect to that portion of your benefit:

- You will receive only 80% of the amount of your benefit because 20% federal income tax must be withheld;
- Your benefit will be taxed in the current year unless you roll it over to an IRA or another employer’s eligible plan within 60 days of your receipt of the distribution. In order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld; and
- You may also incur an additional nondeductible 10% penalty tax on any distribution you receive prior to attaining age 59½. As a general matter, this penalty will not apply if you roll over the distribution or if you received the distribution on account of retirement or termination on or after age 55, death or disability. Payments to an alternate payee under a qualified domestic relations order are not subject to the 10% early distribution penalty.

Normal Form of Payment or Optional Form of Payment Other Than Lump-Sum Payment

If you elect to receive your Plan distribution in a form of payment other than a lump-sum payment — in other words in an annuity — each annuity payment will be subject to federal income taxation and withholding when received. Amounts not yet paid out to you will continue to be tax deferred. For these annuity payments, tax withholding applies under rules similar to those that apply to tax withholding on wages. The 10% early distribution penalty tax generally does not apply to annuity payments.

Seek Tax or Financial Advice

Before you receive your Plan distribution you should consult a qualified tax or financial advisor. The laws concerning qualified plan distributions, such as those under the Plan, are very complex and are subject to change. Each individual’s situation is different. Professional advice will help you make an informed decision about your Plan benefit.
Distribution Upon Death

If payment of your benefit has not begun as of your date of death, your beneficiary will receive the value of your cash balance account at the time of your death.

**Note:** If you are a Grandfathered Participant, the summary of your death benefit is provided in a separate Summary Plan Description.

If the value of your benefit is $5,000 or less, then your beneficiary will receive the death benefit in a single, lump-sum payment as soon as practicable after your death.

If your beneficiary is your spouse and the value of your benefit exceeds $5,000, a death benefit in the form of an immediate single life annuity will be paid to your spouse, unless your spouse elects to receive a single, lump-sum payment in lieu of the single life annuity. Such lump sum election must be made prior to the commencement of the annuity form of payment. Your spouse may elect to delay the payment of the death benefit until the end of the year in which you would have turned 70½. If your spouse delays payment of the death benefit, your account will continue to earn interest credits until such time as the death benefit is paid. Your spouse is the individual you are legally married to on your benefit commencement date (or your date of death if your death occurs prior to your benefit commencement date). If your beneficiary is not your spouse, your beneficiary will receive a single, lump-sum payment of the death benefit as soon as reasonably practicable and no later than five years after your death.

Alternatively, if your beneficiary is your spouse, your spouse may elect to rollover your death benefit to an eligible retirement plan maintained by your spouse (provided that plan accepts roll over contributions) or an IRA upon your death. If your beneficiary is not your spouse, your non-spouse beneficiary may elect to make a direct trustee-to-trustee transfer to an “Inherited IRA” of the portion of your death benefit that is not subject to the required minimum distribution rules. You should contact the Recordkeeper for more information on spouse and non-spouse rollovers.

If payment of your Plan benefit has begun (in a form other than a single, lump-sum payment or a single life annuity), but your benefit has not been fully paid to you at the time of your death, your beneficiary, whether your spouse or a non-spouse is the designated beneficiary, will receive the benefit, if any, as provided under the terms of your elected form of payment (see Forms of Distribution on page 9). If your benefit was paid to you in a single, lump-sum payment or a single life annuity prior to your death, your spouse or non-spouse designated beneficiary, as applicable, will not receive any benefits under the Plan upon your death.
Designation of Beneficiary

You will be asked to name a beneficiary to receive your benefit from the Plan if you die prior to commencement of your benefit. If you are married, your spouse is your primary beneficiary (and you may not designate someone else as your primary beneficiary). If you are not married, you may name anyone as your primary and contingent beneficiary. You must identify primary and any contingent beneficiaries in accordance with the procedure designated by the Benefits Committee (which is the Plan Administrator). Your contingent beneficiary(ies) receive(s) your account balance only if your primary beneficiary(ies) die(s) before you. Funds cannot be distributed to a minor beneficiary without identifying a financial guardian. If you do not name a beneficiary or if your beneficiary can not be located by the Benefits Committee within six months of the date of your death, your Plan account will be distributed to the personal representative of your estate, or, if after six months from the date of your death there is not a personal representative of your estate or if you did not leave a will, your Plan account will be distributed to your estate.

You may change your beneficiary at any time by calling the Retirement Plan Center at 800-687-5770 or by accessing the Plan online at http://resources.hewitt.com/centerpoint.

Commencing Your Benefit

To receive your retirement benefit, you must contact the Retirement Plan Center at 800-687-5770 or by accessing the Plan online at http://resources.hewitt.com/centerpoint 10 to 90 days before the date you want to begin receiving your benefit. All the necessary information and forms will be provided to you. If you disagree with how your benefits under the Plan have been determined, you may request a review by filing a claim, in writing, as described on page 17 in the Claims section.
Concerning The Plan and Plan Benefits

Amendment and Termination

The Board of Directors of the Company intends to continue the Plan indefinitely, but reserves the right to amend, modify, revoke or terminate the Plan and the Trust (with consent of the Trustee, if required), in whole or in part, at any time without prior notice. The Benefits Committee may amend the Plan for any changes required by applicable law or by the IRS to maintain the Plan’s tax-qualified status. The Benefits Committee may also modify the administrative provisions and procedures of the Plan. No amendment, however, will decrease your accrued benefit or your vested interest in your benefit.

Assignment of Benefits

Your Plan benefits may not be assigned or alienated, except in the case of certain judgments and liens under Code Section 401(a)(13) and as provided below. As required by law, participants and other persons entitled to benefits under the Plan are not allowed to assign them or otherwise use them as collateral prior to the date that they are actually paid. Furthermore, your creditors may not attach them. However, the Plan shall make all payments required by a Qualified Domestic Relations Order, which is a state court order requiring payments to be made to a former spouse or a child (see Qualified Domestic Relations Order on page 14), and pursuant to certain judgments and settlements provided for under the Code.

Qualified Domestic Relations Order

If you divorce, your spouse may have rights to benefits from your employer-sponsored plans. Distributions from your Plan account will be made according to a divorce decree if the decree is determined to be a Qualified Domestic Relations Order (“QDRO”). Generally, a decree is a QDRO if it meets the following requirements:

- Contains your name and mailing address, as well as the name, address and Social Security Number of your former spouse;
- Specifies the percentage or amount of your benefit to be paid to your former spouse, or provides a formula by which your employer can determine how much your former spouse is entitled to receive;
- Specifies the number of payments or time period to which the order applies; and
- Specifically designates each plan to which the order applies.

The Plan is responsible for determining whether a domestic relations order is a QDRO.

The Benefits Committee has approved QDRO procedures that describe the Plan’s QDRO requirements and approval process, along with sample QDRO language. To request a copy of the QDRO procedures and sample QDRO language, to obtain information on the qualified status of a pending domestic relations order or to obtain information on domestic relations orders, you should call the Retirement Plan Center at 800-687-5770.
Concerning The Plan and Plan Benefits (continued)

PBGC Guarantee of Benefits
Your pension benefits under this Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their Plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: 1) Normal and early retirement benefits; 2) disability benefits if you become disabled before the Plan terminates; and 3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: 1) Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; 2) some or all of benefit increases and new benefits based on Plan provisions that have been in place for fewer than 5 years at the time the Plan terminates; 3) benefits that are not vested because you have not worked long enough for the company; 4) benefits for which you have not met all of the requirements at the time the Plan terminates; 5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and 6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

Military Service and Benefits Under the Plan
If you leave employment to perform certain military service and are subsequently reemployed by an Employer, you may be entitled to: 1) be credited with service; and 2) be credited with contribution credits and interest for the period of your military service. For more information, please contact the Retirement Plan Center at 800-687-5770.

Maximum Benefits
Under the Code and Employee Retirement Income Security Act of 1974, certain maximum benefit limitations and restrictions apply. You will be notified if these limitations apply to you.

Cost
The Plan Sponsor pays the entire cost of the Plan. The Plan Sponsor's contributions are actuarially determined and paid to a trust fund, which holds the Plan assets. These contributions and income from the trust fund investments are used to pay non-contributory benefits under the Plan.

Suspension of Benefits
If you terminated your employment and were receiving a monthly benefit under the Plan and were then rehired by an Employer prior to May 1, 2008, your benefit was suspended as of the date you completed 500 hours of service. Your monthly benefit will continue to be suspended for each month in which you work at least 40 hours per month. Your monthly benefit will recommence once you again terminate your employment or once you are working less than 40 hours per month (see Termination and Rehire on page 8 for more information).
Concerning The Plan and Plan Benefits (continued)

How Your Benefit May Be Lost or Suspended

You may lose a part or all of your Plan benefit or your receipt of your benefit may be suspended in these situations:

- If you terminate employment before earning three years of service, you will not be vested and thus will receive no benefits from the Plan.
- If you began your benefit, and later return to employment with the Company or an Employer prior to May 1, 2008, your benefit payments will stop while you are working 40 or more hours in a month.
- If you move and do not notify the Company of your new address, you will not receive benefits until the Company can locate you. If you cannot be located, in some cases, your benefits may be forfeited to a state government.
- If the Plan is terminated without enough assets to provide all pension and survivor benefits, your benefit may be affected; however, there is government insurance that protects your benefit (see PBGC Guarantee of Benefits on page 15 for more information).
- If a QDRO applies, all or part of your benefit may be paid to someone else (see Qualified Domestic Relations Order on page 14 for more information).

Plan Sponsor Information

A complete list of the employers and employee organizations sponsoring the Plan may be obtained by participants and beneficiaries upon written request to the Benefits Committee, which is the Plan Administrator. The Benefits Committee may make a reasonable charge for the copies. This list is available for examination, without charge, at the Company’s Human Resources Department at 1111 Louisiana Street, 41st Floor, Houston, Texas, and at other specified locations, such as work sites and union halls. Furthermore, participants and beneficiaries may receive from the Benefits Committee, upon written request, information as to whether a particular employer or employee organization is a sponsor of the Plan and, if the employer or employee organization is a plan sponsor, the sponsor’s address.

Eligibility for the Plan is provided to certain employees covered by certain collective bargaining agreements. A copy of any such bargaining agreement may be obtained by you or your beneficiary upon written request to the Plan Administrator and is available for examination. You may be charged reasonable copying costs.
Claims

Claims Procedure
You (or your authorized representative) may file a written claim with the Plan’s Recordkeeper who will forward the claim to the Benefits Committee (or its delegate) (the “Claims Administrator”) for any Plan benefits to which you believe you are entitled. Within 90 days after the receipt of your claim, the Claims Administrator will provide you (or your authorized representative) with written notice of its decision on the claim, unless special circumstances require an extension of the 90-day period. If an extension is required, the Claims Administrator will provide you (or your authorized representative) with a written notice of the extension before the end of the initial 90-day period.

If your claim is wholly or partially denied, the written notice of the decision will inform you of:

- The specific reasons for the denial;
- The specific provisions of the Plan upon which the denial is based;
- Any additional material or information necessary to perfect the claim and reasons why such material or information is necessary; and
- An explanation of the Plan’s claim review procedure, including a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial of your claim on review.

Claims Review Procedure
Within 60 days after the receipt of written notice of a denial by the Claims Administrator of all or a portion of a claim, you (or your authorized representative) may request a review by the Benefits Committee (which is the Plan Administrator) of the denial by filing a written notice with the Benefits Committee. Your request for review may include additional information and comments that you wish to present to the Benefits Committee. During the 60-day period following notice of the denial, you (or your authorized representative) may examine the Plan and any other document upon which the denial is based. If you (or your representative) requests a formal hearing before the Benefits Committee, the Benefits Committee, in its sole discretion, may grant such a hearing.

Upon receipt of a request for review of a claim denial, the Benefits Committee shall undertake a full and fair review of the claim denial by the date of the next quarterly Benefits Committee meeting that is at least 30 days after receipt of your request for appeal. In some circumstances, such as the need to hold a hearing, the review period may be extended, but no later than the third Benefits Committee meeting following the request for appeal. If an extension is necessary, you will be notified in writing. A written notice of the Benefits Committee’s final determination will be furnished to you after the determination is made. If your claim is wholly or partially denied by the Benefits Committee, the final notice will inform you of:

- The specific reason for the denial;
- The specific provisions of the Plan upon which the denial is based;
- A statement that you are entitled to receive upon request (free of charge) reasonable access to and copies of the documents, records and other information relevant to your claim; and
- A statement of your right to bring a civil action under Section 502(a) of ERISA.

Except as may be otherwise required by law, the decision of the Benefits Committee on review of the claim denial shall be binding on all parties when the participant has exhausted the claims procedure under the Plan. Benefits under the Plan will only be paid if the Benefits Committee decides in its discretion that a participant is entitled to them.

All claims must be submitted within two years beginning on: 1) the date a payment was made; 2) the date of the first in a series of periodic payments; or 3) the date on which a claim is incurred. Your claim will be precluded if it is not submitted within the applicable period.
Claims (continued)

Notwithstanding the foregoing or any provision of the Plan to the contrary, you cannot bring any action at law or equity for any Plan benefit if you do not file a timely valid claim and seek timely review of a denial of that claim. In other words, you must fully exhaust the foregoing administrative appeal process before you can bring any action at law or equity. In addition, no action may be brought more than 12 months after the denial of an appeal.

Standard of Judicial Review of Claims Administrator Decisions

The Benefits Committee has full and absolute discretion in the exercise of each and every aspect of its authority under the Plan, including without limitation, the authority to determine all facts, to interpret this Plan, to apply the terms of this Plan to the facts determined, to make decisions based upon those facts and to make any and all other decisions required of it by this Plan, such as the right to benefits, the correct amount and form of benefits and the determination of any appeal. Notwithstanding any provision of law or any explicit or implicit provision of this document or any action taken, or ruling or decision made, by the Benefits Committee in the exercise of any of its powers and authorities under the Plan, all actions, rulings and decisions shall be final and conclusive as to all parties, regardless of whether the Benefits Committee or one or more of its members may have an actual or potential conflict of interest with respect to the subject matter of the action, finding, interpretation, ruling, or decision. No final action, finding, interpretation, ruling, or decision of the Benefits Committee shall be subject to de novo review in any judicial proceeding; and no final action, ruling, or decision of Benefits Committee may be set aside unless it is held to have been arbitrary and capricious by a final judgment of a court having jurisdiction with respect to the issue.

ERISA Rights Statement

As a participant, 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:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration;
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies; and
- Obtain a statement telling you whether you have a right to receive a pension 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 pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.
ERISA Rights Statement (continued)

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 the 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.

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 Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court after you have exhausted the Plan’s claims procedures. 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.

If you have any questions about the 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.
General Plan Information

**Name of Plan**
CenterPoint Energy Retirement Plan

**Sponsor of the Plan**
CenterPoint Energy, Inc.
P. O. Box 61867
Houston, Texas 77208-1867
713-207-7373

**Plan Recordkeeper**
Aon Hewitt
CenterPoint Energy Retirement Plan Center
4 Overlook Point
P.O. Box 1509
Lincolnshire, IL 60069-1509
800-687-5770
http://resources.hewitt.com/centerpoint

**Plan Trustee**
The Northern Trust Company
50 South LaSalle Street
Chicago, IL 60675

The Plan assets are held in trust pursuant to a trust agreement established in connection with the Plan.

**Plan Year**
Each Plan Year is a calendar year (January 1 to December 31).

**Service of Legal Process**
The Plan Administrator is the agent named to receive service of legal process at the following address:

CenterPoint Energy, Inc.
Benefits Committee Secretary
P.O. Box 61867
Houston, TX 77208-1867
713-207-7373

The Plan Trustee may also receive service of legal process.

**Identification Numbers**
Employer Identification Number: 74-0694415
Plan Number: 001

**Plan Administrator**
Benefits Committee of CenterPoint Energy, Inc.
CenterPoint Energy, Inc.
P. O. Box 61867
Houston, Texas 77208-1867
713-207-7373

The Company has designated the Benefits Committee of CenterPoint Energy, Inc. as the Plan Administrator. The Plan Administrator is responsible for the operation of the Plan and has the general power and authority to establish rules and regulations governing the administration of the Plan.

**Type of Plan**
Defined Benefit Pension Plan

**No Guarantee of Employment**
The Plan is not an employment contract. Your participation in the Plan does not guarantee your employment with your Employer or the Company in any way. If you leave your employment — or are discharged — your right to any benefits under the Plan is limited to the rights specifically provided for in the Plan or as required by law.

**Controlling Law**
The Plan and Trust is governed by ERISA and, to the extent ERISA does not apply, the laws of the State of Texas.
General Plan Information (continued)

Clerical Error

If a clerical error or other mistake occurs, that error does not create a right to benefits. These errors include, but are not limited to, providing misinformation on eligibility or benefits coverage or entitlements. The terms of this Plan may not be amended by oral statements made by CenterPoint Energy, the Plan Administrator, Plan Recordkeeper, or any other person. In the event an oral statement conflicts with any term of the Plan, the Plan terms will control.

It is your responsibility to confirm the accuracy of statements made by CenterPoint Energy or its designees, including the Plan Recordkeeper, in accordance with the terms of the Summary Plan Description and Plan documents.