Ernst & Young Defined Benefit Retirement Plan

and

Ernst & Young Inactive Defined Benefit Retirement Plan

September 2020

EY

Building a better working world

Contents

Introduction 1
Terms 2
Eligibility, vesting and types of retirement 5
  Eligibility 5
  Rehires 5
  Vesting 5
  Break-in-service 5
  Military service leave 5
  Types of retirement benefit accruals 5
  Forms of retirement benefit payments 6
Retirement benefit calculations: combined accrued benefit 7
  Your combined accrued benefit formula 7
Retirement benefit calculations: Part B — Cash Balance Benefit 8
  Cash Balance Formula 8
  Annual Cash Balance Credits 8
  Interest Credits 9
  Transitional Credits 9
Retirement benefit calculations: Part A — Benefit 10
  (1) FAC Benefit 10
  (2) Prior CB Benefit 10
  (3) Minimum Flat Dollar Benefit 11
  Special rules for participants of Predecessor Plans 11
Termination before retirement age 12
  Special vested benefits 12
  Deferred vested benefits 12
How your retirement benefit is paid 13
  Normal forms of payment 13
  Optional forms of payment 13
  Beneficiary designations 13
  Required distributions 14
  Lump-sum payment 14
  How a lump-sum payment works 14
  Rollover into a Roth IRA 15
  Written spousal consent 15
  Recovery of overpayment 15
Survivor benefits, offset and special tax rules 16
  Survivor benefits 16
  Offset for Arthur Young account balance 16
  Special tax rules for lump-sum distributions 17
Applying for benefits, loss of benefits and plan cost 18
  Estimating your benefits 18
  Applying for your benefits 18
  How you can lose your benefits 18
  Plan cost 18
  Plan interpretation 19
  Assignment of benefits 19

Qualified Domestic Relations Order 19
Top-heavy rules 19
If the Plans are underfunded 19
Termination of the Plans 19
Plan termination insurance 19
How to request benefits 20
The Employee Retirement Income Security Act of 1974 (ERISA) 21
Statement of ERISA rights 21
Receive information about the Plans and your plan benefits 21
Prudent actions by plan fiduciaries 21
Enforce your rights 21
Assistance with your questions 22
Appendix A: Sample benefit calculations 25
Early retirement benefit 27
Deferred vested benefit 29
Appendix B: Social Security Covered Compensation 32

Introduction

This document summarizes the benefits available to staff members of Ernst & Young US LLP (the Firm or EY), its participating joint ventures, participating affiliates, and its participating subsidiaries, under the Ernst & Young Defined Benefit Retirement Plan and the Ernst & Young Inactive Defined Benefit Retirement Plan (collectively, the Plans).

References herein to the provisions of the Ernst & Young Defined Benefit Retirement Plan also includes comparable provisions under the Ernst & Young Inactive Defined Benefit Retirement Plan unless otherwise noted. After your service with the Firm ends, your benefits accrued under the Ernst & Young Defined Benefit Retirement Plan are transferred to the Ernst & Young Inactive Defined Benefit Retirement Plan generally upon the earlier of the date your monthly annuity commences or at the expiration of six months following the end of your employment with EY. This transfer will have no impact on the amount of your benefit.

All references to the Firm or to EY in this document are to Ernst & Young US LLP and its applicable affiliates, the client-serving firm located in the United States.

The term "staff members" in this document refers to all EY employees other than employees who are participants in the Ernst & Young Partnership Defined Benefit Retirement Plan (non-partner participants), interns, leased employees, inpatriates who transferred to the Firm on or after July 1, 2010, employees on temporary assignment to the Firm and employees classified as "assignees on host compensation". A partner/principal is also not a staff member for purposes of the Plans. **If you are a partner/principal or a non-partner participant, you are not eligible to accrue benefits under the Ernst & Young Defined Benefit Retirement Plan. Please see the *Ernst & Young Partnership Defined Benefit Retirement Plan Summary Plan Description (SPD)* for a description of the retirement benefits which may be available to you.**

If while you are a staff member you are placed on an international assignment for which you are classified as an "assignee on host compensation", you will not be eligible for additional benefits under the Ernst & Young Defined Benefit Retirement Plan during your assignment period other than Interest Credits. Vesting service under the Ernst & Young Defined Benefit Retirement Plan will continue during your qualifying assignment period. Any accrued benefits you earned during your period of service as a staff member will be available to you under the terms of the Ernst & Young Defined Benefit Retirement Plan after you meet the vesting requirements under the plan.

If you are an employee on temporary assignment to the US firm, you are not eligible for benefits under the Ernst & Young Defined Benefit Retirement Plan.

Complete information about the Plans is contained in the applicable plan documents maintained by EY. This document is merely a summary of certain provisions of the Plans. If a conflict exists between this summary and the Plans' documents, the Plans' documents will govern. Questions may be directed to Better You (formerly Benefits Express) at **+1 877 339 1239** or you may write to the Retirement Plan Administrator, Ernst & Young LLP, 200 Plaza Drive, Secaucus, NJ 07094.

For answers to questions regarding coverage and eligibility, access Better You (formerly Benefits Express) at **http://digital.alight.com/ey** or call Better You (formerly Benefits Express) at **+1 877 339 1239**.

While the Firm intends to continue the Plans, the Firm reserves the right to amend or terminate the Plans, in whole or in part, without prior notice, in any manner, at any time and with respect to any class of individual.

Terms

Important terms used in this document are defined as follows:

Actuarial Equivalent: The method used to convert a benefit in one form of payment, such as a lump sum, into another form, such as a life annuity. The conversion is done in such a way that, given a set of actuarial assumptions about mortality and interest, and reflecting the age of the participant, and beneficiary, if relevant, at the time of benefit commencement, the two forms of payment are expected to have an equivalent actuarial value. The assumptions used to determine Actuarial Equivalent amounts differ, depending on the form of payment you choose, your Pension Commencement Date, and your period of service. Where appropriate, the "applicable interest rate" is determined under Internal Revenue Code Section 417(e)(3) for the fifth calendar month preceding the calendar quarter in which the date of distribution occurs and the "applicable mortality rates" are the mortality rates prescribed by Internal Revenue Code Section 417(e)(3) for the Plan Year in which the distribution occurs.

Annual Cash Balance Credit: Also known as "pay credit," this credit is a percentage of your Compensation earned for years beginning on or after January 1, 2017, and is based on your Points (your age in whole years and months plus your Years of Vesting Service as of the previous December 31 in whole years and months, in both cases with each full month counting as one-twelfth of a Point). The Annual Cash Balance Credit is added to your Cash Balance Account as of the end of the year, or as of the date your employment terminates, if earlier.

Cash Balance Account: The notional account established for participants eligible for the Part B — Cash Balance Benefit.

Compensation: Compensation, while an employee, is calendar-year compensation, before deferrals, withholdings, and deductions, paid by the Firm, but does not include payments of allowances, reimbursement of expenses, severance pay, pay for unused vacation days or bonuses and incentives paid after the last day of the payroll period that includes the employee's last day of employment with the Firm and its applicable affiliates. Compensation is determined without regard to any reductions in Compensation elected under the Ernst & Young Retirement Savings Plan and/or any pre-tax benefit plans. The Plans limit Compensation to the annual amount permitted by the Internal Revenue Code, $285,000 for the 2020 calendar year. which may periodically be adjusted by the Internal Revenue Service (IRS).

Domestic Partner: The person you have properly designated as your Domestic Partner with the Retirement Committee through Better You (formerly Benefits Express) (at **http://digital.alight.com/ey** or by calling **+1 877 339 1239**). If you are not married but have a qualifying Domestic Partner you must properly designate that individual under rules established by the Retirement Committee in order for your Domestic Partner to receive survivor benefits as your Domestic Partner. If you properly designate a Domestic Partner through Better You (formerly Benefits Express), that individual automatically becomes your beneficiary under the Plans and any prior beneficiary designation is superseded. Please keep in mind that you may designate an individual as your beneficiary under the Plans rather than as your Domestic Partner, but if you do so that individual will not be treated as a Domestic Partner for purposes of the Plans and will be treated only as your designated beneficiary.

Ernst & Young Defined Benefit Retirement Plan: This is the plan in which your benefits accrue while you are an active, qualifying EY staff member. If your employment with EY terminates and you take a lump-sum payment of your benefits under the plan within six months of that date, your benefit will be paid from this plan. However, if you elect to receive an annuity, or if you elect to defer commencement of your benefit beyond six months after severance of employment, your benefits are transferred from this plan to the Ernst & Young Inactive Defined Benefit Retirement Plan. This transfer has no impact on the amount of your benefit payment. Special rules apply to help ensure the Firm's continuing independence if you are employed in an accounting role or financial reporting oversight role at an EY SEC registered audit client, when confirmed by EY Independence. If you are employed in such a role, your benefit is immediately transferred to the Ernst & Young Inactive Defined Benefit Retirement Plan. The transfer of your benefit to that plan has no impact on the amount of your benefit.

Ernst & Young Inactive Defined Benefit Retirement Plan: This is the plan from which all benefits accrued under the Ernst & Young Defined Benefit Retirement Plan are paid (other than lump sums that are paid within six months of termination of employment to a participant who is not employed in an accounting role or financial reporting oversight role at an EY SEC registered audit client, as confirmed by EY Independence). If you are rehired as staff by EY, any unpaid benefits and their associated assets are transferred back to the Ernst & Young Defined Benefit Retirement Plan — although certain exceptions apply if you were a Partner/Principal at one time before rehire. Any transfer between the Plans has no impact on the amount of your benefit.

Final Average Compensation: The average of your Compensation for any five calendar years during the last 10 calendar years of service ending before January 1, 2017, with the Firm that produce the highest average, subject to Internal Revenue Code limits.

Firm: The partnership known as Ernst & Young US LLP.

Interest Credit: For each Plan Year beginning on or after January 1, 2018, your Cash Balance Account will be credited with 4% interest annually under Part B. However, interest will not be credited on a contribution made to your Cash Balance Account until that contribution has been aged one year (that is, included in your account for one year). Interest will continue to accrue until you commence payment of your benefit or until the later of reaching your normal retirement date or terminating employment. Each year's Interest Credit is credited to your account as of the beginning of the next Plan Year or, if earlier, a prorated amount will be credited based on the date you leave the Firm, reach Normal Retirement Date, or commence your benefit. No interest will be credited after you commence pension payments. If you work past your Normal Retirement Date, interest will be prorated through the last full month preceding your severance of employment.

Minimum Flat Dollar Benefit: (Applies to your Part A — Benefit only.) This minimum benefit, which is $3,800 per year, accrues on a monthly basis (beginning January 1, 2014) during the period you participate in the Ernst & Young Defined Benefit Retirement Plan following your commencement of participation (up to a maximum of three years). Accruals under this formula were frozen as of December 31, 2016.

Normal Retirement Date: The later of:

(1) The date you attain age 65; or

(2) The earlier of (i) the fifth anniversary of the date you begin participating in the Ernst & Young Defined Benefit Retirement Plan or (ii) the date you complete three Years of Vesting Service, if you are credited with one hour of service on or after January 1, 2017.

Part A — Benefit: The portion of your benefit accrued as of December 31, 2016 based on the Final Average Compensation formula (FAC Benefit) or minimum formulas (Prior CB Benefit or Minimum Flat Dollar Benefit) then in effect. The benefit accrued at that point will remain the same and will not increase or decrease, but may be adjusted if you commence payments before your Normal Retirement Date, and/or terminate employment before you are eligible for Early Retirement or Special Vesting.

Part B — Cash Balance Benefit: The portion of your benefit accrued starting on January 1, 2017 under the Plans' cash balance formula.

Pension Commencement Date: Generally, the first day of the first period that an amount is payable under the Plans. Your Pension Commencement Date will be recalculated if you return to work at EY and your pension is suspended until you again commence your pension. If you commence a disability pension, your Pension Commencement Date will be the earlier of the first of the month following your Normal Retirement Date or the date you commence your pension due to disability retirement.

Plan Year: The period commencing each January 1 and ending the following December 31.

Points: The sum of your age and Vesting Service, both as of the end of the prior year, and both counted in whole years and whole months (each whole month counting as one-twelfth of a Point). Your Points determine the level of Annual Cash Balance Credits you can accrue during the current year under Part B — Cash Balance Benefit.

Predecessor Plan(s): the Ernst & Young Retirement Plan for Arthur Young as in effect on September 30, 1990 (the Arthur Young Plan) and the Ernst & Whinney Defined Benefit Pension Plan as in effect on September 30, 1990.

Prior CB Benefit: (Applies to your Part A — Benefit only.) If you were hired before January 1, 2014 and (i) became an active participant after September 30, 1994 or (ii) on September 30, 1994, you had been a participant during three or fewer plan years, this benefit produced a notional bookkeeping "account" balance based on your Compensation and years of service. Accruals under this formula were frozen as of December 31, 2016.

Retirement Committee or Review Committee: The Ernst & Young US LLP Retirement Committee.

Social Security Covered Compensation: (Applies to your Part A — Benefit only.) Relates to your year of birth and it is determined annually by averaging the Social Security wage bases (the maximum amounts on which Social Security taxes are paid each year) for the 35-year period ending with the year in which you reach your Social Security normal retirement age. For purposes of calculating Social Security Covered Compensation, your Social Security normal retirement age is age 65 if you were born before 1938, age 66 if you were born between 1938 and 1954; and age 67 if you were born after 1954. Appendix B shows the IRS table in effect beginning on January 1, 2016, the last year Social Security Covered Compensation was used to calculate your benefit. This amount is frozen as of December 31, 2016 and may not increase after this date.

Transition Points: The sum of your age and Years of Vesting Service, both determined on December 31, 2016, and both counted in whole years and whole months (each whole month counting as one-twelfth of a Point). Your Transition Points determine the level of Transitional Credits you can accrue between January 1, 2017 and December 31, 2021 under Part B — Cash Balance Benefit.

Transitional Credit: If you have at least 10 Years of Vesting Service and 60 Transition Points, both as of December 31, 2016, you are eligible for Transitional Credits, which are contributed to the Plan only for years of service between January 1, 2017 and December 31, 2021. This credit is a fixed percentage of your Compensation on or after January 1, 2017 and on or before December 31, 2021 based on your Transition Points. The Transitional Credit is added to your Part B — Cash Balance Benefit at the end of the year, or as of the date you terminate employment, if earlier.

Years of Vesting Service: Your eligibility for a Plan benefit is determined by your Years of Vesting Service. Your Years of Vesting Service are equal to the sum of:

(1) The total of your periods of service with the Firm commencing with October 1, 1990 or, if later, your date of hire (or rehire) with the Firm, excluding any period of service prior to your 18th birthday; plus

(2) The Years of Vesting Service you had under the Predecessor Plan(s) on September 30, 1990; plus

(3) The Years of Vesting Service you had under the Kenneth Leventhal & Company Tax Reduction & Profit Sharing Plan on May 31, 1995, provided you were employed by EY on June 1, 1995.

Your service will be aggregated on the basis that 12 calendar months will equal one year and each additional month will equal one-twelfth of a year, provided your period of service is at least 15 days that month.

If you were hired on or after January 1, 2017, Vesting Service credited after you incur five consecutive one-year breaks in service will be disregarded for determining your Part B — Cash Balance Benefit earned before your break in service if you were not yet vested when your severance from service occurred.

Years of Benefit Service: The total of your service with the Firm, commencing as of your date of hire, excluding any internship, through December 31, 2016. Your service will be aggregated on the basis that 12 calendar months equal one year and each additional month will equal one-twelfth of a year. You will be credited with a full month provided your period of employment is at least 15 days that month. Years of Benefit Service will not be credited for any period of service after December 31, 2016 and is limited to 30 years. Certain exceptions may apply if you were at least age 40 with at least 15 years of Vesting Service at the time you incurred a permanent and total disability prior to January 1, 2017. Your pension amount in the Part A — Benefit is determined by Years of Benefit Service.

Years of Eligibility Service: The total of your periods of service with the Firm and its applicable affiliates, generally commencing with your date of hire, determine your Years of Eligibility Service. You will complete a Year of Eligibility Service once you have been with the Firm and its applicable affiliates a full 365 days.

Special rules may apply to participants from firms merged with or acquired by EY.

Eligibility, vesting and types of retirement

Eligibility

You are eligible to participate on the earlier of:

- The January 1 or July 1 coinciding with or immediately following the date you reach age 21 and complete one year of service, or
- The first day of the month after you reach age 35, regardless of service.

Rehires

If you are a former employee or former partner who terminated employment while previously eligible for the Plans, and you are rehired as an employee on or after January 1, 2017, you are eligible for the Ernst & Young Defined Benefit Retirement Plan on the date you are rehired.

After rehire, benefits previously accrued under the Ernst & Young Partnership Defined Benefit Retirement Plan by former partners/principals and non-partner participants who become staff employees will be transferred from the Ernst & Young Inactive Defined Benefit Retirement Plan to the Ernst & Young Partnership Defined Benefit Retirement Plan. See the *Ernst & Young Partnership Defined Benefit Retirement Plan SPD* if you earned a benefit as a partner/principal or non-partner participant.

Vesting

If you are credited with an hour of service on or after January 1, 2017, you will become vested in your benefits accrued under the Ernst & Young Defined Benefit Retirement Plan after you complete three Years of Vesting Service.

Vesting is important because it means you have a non-forfeitable right to a benefit from the Plans even if you leave the Firm before retirement. If you terminate employment before vesting, your right to any unvested benefit will be forfeited.

If your death occurs before you retire or after you leave the Firm and you are vested, your spouse or properly designated Domestic Partner continues to have a right to a benefit from the Plans.

Break-in-service

If your initial date of hire is on or after January 1, 2017, and you have less than three Years of Vesting service prior to your severance of employment and you incur a five-year break-in-service, then service after your severance date is not included as Years of Vesting Service for purposes of determining your vested Cash Balance Benefit earned before your break-in-service. Years of Vesting Service earned before your five-year break-in-service will be included for purposes of determining your vested Cash Balance Benefit you earn after you are rehired.

If you have a break-in-service of 12 months or less, you will be credited with Years of Eligibility and Vesting Service (but not Years of Benefit Service) for the entire period of your break. If your break-in-service is more than 12 months, service from all periods with EY will be added to determine your Years of Eligibility, Vesting and Benefit Service.

Military service leave

If you leave EY or its participating affiliates to serve in one of the uniformed services of the United States and return to EY or its participating affiliates following that service, you may be entitled to contributions and service credit under the Plans for your period of qualified military service, as provided by the Uniformed Services Employment and Reemployment Rights Act (the Act). Qualified military service is service in the uniformed services for which you are entitled to reemployment rights under the Act. For more information, you should contact Better You (formerly Benefits Express).

Types of retirement benefit accruals

For participants terminating employment on or after January 1, 2017, your retirement benefit may be composed of two parts (see "Appendix A: Sample benefit calculations" for examples):

- Part A — Benefit: The portion of your benefit accrued as of December 31, 2016 based on the Final Average Compensation formula (FAC Benefit) and minimum formulas (Prior CB Benefit or Minimum Flat Dollar Benefit) then in effect and fixed at that point. You will not accrue any Part A — Benefit after December 31, 2016.

- Part B — Cash Balance Benefit: The portion of your benefit accrued for any service on or after January 1, 2017 under the Plans' Cash Balance formula.

For participants terminating employment before January 1, 2017, only the Part A — Benefit applies. For participants commencing service on or after January 1, 2017, only the Part B — Cash Balance Benefit applies.

Forms of retirement benefit payments

When you retire, if you elect to receive an annuity, the portion of that annuity that comes from Part B — Cash Balance Benefit is always the Actuarial Equivalent of your Cash Balance Account based on your age at the time your benefit commences. The portion of the annuity from Part A — Benefit is based on a fixed formula and may be reduced if you elect to start your annuity payments earlier than your Normal Retirement Date, and/or terminate employment with EY before you are eligible for Early Retirement or Special Vesting (refer to the "Termination before retirement age" section below).

If you elect to receive your retirement benefit in a single lump-sum payment, the portion of the benefit payable from the Part B — Cash Balance Benefit is equal to the value of your Cash Balance Account. The lump-sum payable from the Part A — Benefit (including the Minimum Flat Dollar Benefit, but not the Prior CB Benefit) is the lump-sum Actuarial Equivalent of the fixed formula annuity based on your age at the time your benefit commences. The lump-sum payable from the Part A — Benefit that is a Prior CB Benefit is the balance in your Prior CB Benefit account as of the time you elect the lump sum.

Normal retirement

You will be eligible for your benefit upon the termination of your service with the Firm on or after your Normal Retirement Date (see definition in the "Terms" section above).

Early retirement

If you retire from the Firm after completing 30 Years of Vesting Service and reaching age 55, you will be eligible for an early retirement benefit. You may receive your unreduced Part A — Benefit commencing at age 60 or later, or you may elect to begin receiving a reduced benefit at any time prior to age 60. If you elect to begin receiving your benefit prior to age 60, the monthly payment amount of your Part A — Benefit you would otherwise receive at age 60 will be reduced by 5% for each year (0.4167% for each month) that your payments begin before age 60. This reduction is made to take into account the longer period over which your benefit will be paid to you.

If you have completed 10 Years of Vesting Service and have reached age 55 at the time your service with the Firm terminates, you may elect to receive a reduced early retirement benefit beginning at any time thereafter. For this purpose, the monthly payment amount of your Par A — Benefit you will receive at early retirement will be reduced by 5% for each year (0.4167% for each month) that payments are made before age 65. In certain cases, as described in "How your retirement benefit is paid," your spouse's consent may be required to begin your benefit before age 65.

After you are vested, your Part B — Cash Balance Benefit is always payable as a lump sum or an Actuarial Equivalent annuity based on your Cash Balance Account balance on the date you commence monthly benefit payments.

Disability retirement

If, while a staff member, you become permanently and totally disabled after attaining age 40 and completing at least 15 Years of Vesting Service, you will be eligible to receive a disability retirement benefit commencing as of the first day of any subsequent month. However, if you elect to begin to receive a disability retirement benefit from the Plans while you are receiving benefits from the EY Long-Term Disability Plan (including the buy-up option), your long-term disability benefits will be reduced by the amount of the benefit you are receiving from the Plans.

Alternatively, you may continue to accrue benefits under the Plans until the earlier of:

(1) The date your disability benefits under the EY Long-Term Disability Plan cease; and

(2) The first day of the month on which you commence payments under the Plans.

While on disability, your benefits will accrue based on the Cash Balance Benefit formula (if your disability started on or after January 1, 2017) and reflect your Compensation and Points in the year immediately preceding the year that you became disabled (or Compensation in the year you became disabled, if greater). If your disability began before January 1, 2017, your benefit will accrue based on the Part A — Benefit only.

If you cease to be permanently and totally disabled before you reach your Normal Retirement Date, your disability retirement benefit will cease. However, you will be eligible to receive an early retirement benefit, special vested benefit or a deferred vested benefit if you satisfy the conditions for one of those benefits based upon your age and Years of Vesting Service at the time your disability retirement benefit ceases.

Disabled before you are eligible for disability retirement

If you become permanently and totally disabled while a staff member and you have not attained age 40 or have not completed 15 Years of Vesting Service at the time you become disabled (or both), you will be eligible to receive up to one Year of Vesting Service while disabled. The additional one Year of Vesting Service will not be used to count service toward your eligibility for a disability retirement benefit. Provided you have completed three Years of Vesting Service, you will be eligible for a deferred vested benefit under the Plans.

Retirement benefit calculations: combined accrued benefit

Your combined accrued benefit formula

If you were hired before 2017 and were eligible for the Plans, and you continued working for the Firm once the Part B — Cash Balance Benefit was implemented as of January 1, 2017, the value of your total retirement benefit will be determined by combining your accrued benefit under the Part A — Benefit formula (see the "Retirement benefit calculations — Part A — Benefit" section) determined as of December 31, 2016, that produces the highest benefit **plus** the new Cash Balance formula under the Part B — Cash Balance Benefit (see the "Retirement benefit calculations: Part B — Cash Balance Benefit" section). If you were hired on or after January 1, 2017, your total retirement benefit will be determined solely by the Part B — Cash Balance Benefit. Effective January 1, 2017, if you are not yet vested in the Plans, you will be vested in your total pension benefit after three years of Vesting Service.

Part A — Benefit*		Part B — Cash Balance Benefit
Benefit accrued through December 31, 2016 (can be reduced if you commence payments before your Normal Retirement Date, and/or terminate employment before eligibility for early retirement or special vesting).	plus	Benefit based on Points (Points are age plus Years of Vesting Service as of December 31 of prior Plan Year) starting January 1, 2017: ▸ A "notional" account is established for you and the value of the vested account will increase steadily over time with credits provided by the Firm until commencement. ▸ Your retirement benefit will be based on the value of your vested account at retirement or commencement.

* Your Part A — Benefit will be determined under the formula in effect (your benefit earned under the FAC Benefit, Prior CB Benefit or Minimum Flat Dollar Benefit) prior to January 1, 2017 that produces the highest benefit. Your Part A — Benefit includes the value of any subsidized early retirement benefits for which you may become eligible when you terminate employment or retire from the Firm.

Please note: A notional account is not an actual individual and personal account (such as a 401(k) Plan account), but a recordkeeping measure to track the Cash Balance benefit you are accruing in the Plans.

Retirement benefit calculations: Part B — Cash Balance Benefit

Beginning January 1, 2017, the annual retirement benefit you may earn will be calculated under the Cash Balance Formula described below. Prior to 2017, your benefit was calculated with the formula(s) described in the "Retirement benefit calculations: Part A — Benefit" section.

The value of your total retirement benefit is determined by combining your Part A — Benefit, if any, with the Part B — Cash Balance Benefit. See the "Retirement benefit calculations: Combined Accrued Benefit" section above.

Appendix A includes benefit calculation examples of the Cash Balance Formula method.

Cash Balance Formula

Under the Cash Balance Formula, your annual accrual is calculated as follows:

Annual Cash Balance Credit		**Interest Credit**		**Transitional Credit (2017–2021)**
A percentage of your Compensation credited to your notional account as of the last day of the year or the date you leave EY, if earlier	+	4% annual interest on your account each Plan Year	+	For those with at least 10 Years of Vesting Service and 60 or more Points, both as of December 31, 2016, a percentage of your Compensation credited to you as of the last day of the year (from 2017 to 2021 only) or the date you leave EY, if earlier

Annual Cash Balance Credits

The percentage of your Annual Cash Balance Credit is determined by your "Points" as of the previous December 31. Your Points are determined by **your age based on years and full months plus Years of Vesting Service counted in years and full months**. Each completed full month counts as one-twelfth of a Point. You will be credited with a full month of Vesting Service provided your period of employment is at least 15 days during the month.

Points	*Annual Cash Balance Credit*
0 – <35	2.5%
35 – <50	3.25%
50 – <65	4%
65 – <80	5%
80 – <95	6%
95+	7%

Interest Credits

For each Plan Year beginning on or after January 1, 2018, your Cash Balance Account will be credited with 4% interest annually. Your Cash Balance Account contributions must be aged one year before interest begins accruing. Interest Credits will continue as long as you remain an active employee. Each year's accrual is credited to your account as of the beginning of the next Plan Year or, if earlier, the date you leave the Firm and commence your benefit or reach Normal Retirement Date. No interest will be credited after you commence pension payments or after you terminate employment and reach Normal Retirement Date. If you work past your Normal Retirement Date, interest will be prorated through the last full month preceding your severance of employment.

Transitional Credits

Longer-service employees may be eligible for additional Transitional Credits, based on Points as of December 31, 2016 and fixed for the duration of crediting. The Transitional Credits are a percentage of your Compensation and credited as of the last day of the year or the date you leave EY, if earlier. These credits will be available for those with at least 10 Years of Vesting Service as of December 31, 2016 and have 60 Points or more as of December 31, 2016. Transitional Credits will be applied for five years (2017–2021) or until you leave EY, whichever comes first. If you leave EY and return, Transitional Credits will not resume upon rehire, even if you are rehired before 2022.

Your Transitional Credit percentage is determined by your Transition Points as of December 31, 2016 and, unlike your Annual Cash Balance Credit, is unchanged until the Transitional Credits end in 2022. Your Transition Points are determined by **your age in years and full months plus Years of Vesting Service in years and full months** as of December 31, 2016 (provided you have at least 10 years of service as of December 31, 2016). Each completed full month counts as one-twelfth of a Point.

Transition Points	*Transitional Credit*
60 – <65	4%
65 – <80	5%
80 – <95	6%
95+	7%

Your final Part B — Cash Balance Benefit is the accumulated value in your Cash Balance Account, which is the sum of all the Annual Cash Balance Credits, Transitional Credits and Interest Credits over the course of your career. If you're vested, this amount is available to you as a lump sum (subject to spousal consent, if married). You may also elect to take this benefit as an annuity, in which case it is converted to the annuity form you select and the amount of your monthly payment is the Actuarial Equivalent of your account balance. The determination of Actuarial Equivalence is based on your age, your beneficiary's age, if applicable, and the Internal Revenue Code-defined applicable mortality factors and applicable interest rate in effect under the Plan at the time your annuity commences. If you elect to defer commencement of your retirement benefit, your Cash Balance Account will continue to accrue Interest Credits at a 4% annual rate from your termination date until the date that you retire, which cannot be later than your Normal Retirement Date.

Retirement benefit calculations: Part A — Benefit

If you retired or terminated employment before 2017, your accrued benefit was calculated using the Part A — Benefit formula only.

If you were eligible for benefits under the Ernst & Young Defined Benefit Retirement Plan before 2017 and you continued working for the Firm on or after January 1, 2017, the value of your total retirement benefit is determined by combining your Part A — Benefit earned before 2017 with your Part B — Cash Balance Benefit earned beginning in 2017 until you terminate employment. See the "Retirement benefit calculations: Combined accrued benefit" section above.

Under the Plans, your Part A — Benefit is calculated as described below:

- Your benefit is calculated as the greatest of (1), (2) and (3) below if you commenced service with the Firm prior to January 1, 2014, and if at least one of the following applies:
  - You first became an active participant in the Plan after September 30, 1994, or
  - On September 30, 1994, you had been a Plan participant during three or fewer Plan Years.
- Your Plan benefit is calculated as the greater of (1) and (3) below if you commenced service with the Firm on or after January 1, 2014.

You automatically receive the highest amount applicable to you. The full amount as of December 31, 2016 is your "Part A — Benefit." Each of the methods is described in further detail below. For more information, Appendix A includes examples of the FAC Benefit, Prior CB Benefit and the Minimum Flat Dollar Benefit calculation methods.

(1) FAC Benefit

The calculation that was used to determine your FAC Benefit is:

FAC Benefit

1.3%	of Final Average Compensation up to Social Security Covered Compensation
+	Plus
1.7%	of Final Average Compensation over Social Security Covered Compensation
x	That sum multiplied by
Yrs	Years of Benefit Service up to a maximum of 30 years subject to the maximum annual benefit limit described below.

The maximum annual benefit payable under the FAC Benefit was $125,000 as of January 1, 2014.

(2) Prior CB Benefit

The Prior CB Benefit produces a notional bookkeeping "account" based on your calendar year Compensation and Years of Vesting Service. An amount is calculated as of the end of the Plan Year (or the end of the month in which your severance occurs) for any Plan Year or partial Plan Year during which you complete at least one hour of service in accordance with the following schedule effective October 1, 1996:

Year of Plan participation	*Percentage of Plan Year compensation*
1	5%
2	4%
3	3%
4	2%
5	1%
More than 5	0%

On the last day of each month, interest at an annual rate of 6% (7.5% before January 1, 2017) is credited to the Prior CB Benefit account balance as of the beginning of the Plan Year. Interest is credited both while you are employed by the Firm and following your separation from service with the Firm.

If you were a participant on September 30, 1994 and had been a participant during three or fewer Plan Years, the Prior CB Benefit as of October 1, 1994 equals the lump sum value of your accrued benefit calculated under the FAC Benefit on September 30, 1994. The accrued benefit on September 30, 1994 is calculated under all applicable formulas then in effect and the highest benefit amount will apply.

Compensation under the Prior CB Benefit for employees hired or rehired on or after July 1, 2004 is limited to 50% of the Internal Revenue Code (IRC) annual dollar limit for Plan Years beginning on or after January 1, 2005. The IRC compensation limit for 2016 was $265,000.

The Prior CB Benefit projected to the later of (a) your Normal Retirement Date and (b) your Pension Commencement Date is converted to a monthly annuity value. The monthly annuity value is compared to the monthly annuity value determined under the FAC Benefit and Minimum Flat Dollar Benefit, if applicable. Your monthly benefit is based on the formula (either the FAC Benefit, the Prior CB Benefit or Minimum Flat Dollar Benefit, if applicable) that provides the greater monthly benefit.

(3) Minimum Flat Dollar Benefit

The Minimum Flat Dollar Benefit, which is $3,800 per year, accrues on a monthly basis (beginning January 1, 2014) during the period you participate in the Ernst & Young Defined Benefit Retirement Plan following your commencement of participation (up to a maximum of three years). This formula is not used after December 31, 2016.

Special rules for participants of Predecessor Plans

If you had Supplementary Firm Contributions made on your behalf to the Arthur Young Plan, the annual retirement benefit described above will be reduced unless you are eligible to and elect to transfer those contributions to the Ernst & Young Defined Benefit Retirement Plan, rather than take them in the form of a lump sum or in installments. For a more detailed discussion, see "Offset for Arthur Young account balance."

If you were a participant in one of the Predecessor Plans on September 30, 1990, and you become eligible for a benefit under the Ernst & Young Defined Benefit Retirement Plan, your benefit under the Ernst & Young Defined Benefit Retirement Plan will not be less than your accrued benefit as of September 30, 1990 under the Predecessor Plan in which you were then participating.

Termination before retirement age

Special vested benefits

You will be entitled to a special vested benefit if:

- You leave the Firm on or after January 1, 2017 and after you have reached age 50 with at least three Years of Vesting Service; and
- The combination of your age and Years of Vesting Service equals at least 75.

Your benefit will be calculated under each of the applicable retirement benefit calculations described in "Retirement benefit calculations: Part B — Cash Balance Benefit" and "Retirement benefit calculations: Part A — Benefit" and you will automatically receive the sum of the two benefits when you commence your benefits. You may begin receiving your Part A — Benefit at age 65 (age 60 if you have completed 30 Years of Vesting Service). Alternatively, you may elect to receive a reduced Part A — Benefit at any time. The Part A — Benefit will be reduced by 5% for each year (0.4167% for each month) that your payments begin before age 65 (age 60 if you have completed 30 Years of Vesting Service). The Part B — Cash Balance Benefit annuity will be the Actuarial Equivalent of your Cash Balance Account balance based on your age, your beneficiary's age, if applicable, and the Internal Revenue Code-defined mortality factors and applicable interest rate assumptions then in effect under the Plans at the time your annuity commences.

Deferred vested benefits

If you leave the Firm on or after January 1, 2017 and before you are eligible for normal, early, disability retirement or special vested benefits but after completing at least three Years of Vesting Service, you have a non-forfeitable right to the benefit you have earned up to the date you leave the Firm. Better You (formerly Benefits Express) will automatically send a letter to your address of record with the amount of your benefit. Alternatively, you may contact Better You (formerly Benefits Express) at **http://digital.alight.com/ey** or by calling **+1 877 339 1239 to obtain this information**.

If you earned a Part A — Benefit, that portion of your benefit will be adjusted for early termination by recalculating the FAC Benefit (see "Retirement benefit calculations — Part A — Benefit") and applying a service ratio factor. The service ratio factor uses Years of Benefit Service projected to normal retirement age (but limited to 30 years) and multiplying the result by a fraction, the numerator of which is Years of Benefit Service at the earlier of termination, or December 31, 2016, and the denominator of which is Years of Benefit Service projected to normal retirement age. The deferred vested Part A — Benefit is then the greater of this early termination FAC Benefit, the Prior CB Benefit and the Minimum Flat Dollar Benefit.

If you had Supplementary Firm Contributions made on your behalf to the Arthur Young Plan, the annual retirement benefit described above will be further reduced. For a more detailed discussion, see "Offset for Arthur Young account balance."

The Part B — Cash Balance Benefit portion of your deferred vested benefit is based on the account balance at the time that you elect to receive your benefit. If you elect a lump sum, the Part B — Cash Balance Benefit portion of the lump sum is the account balance. If you elect an annuity, the Part B — Cash Balance Benefit portion of the annuity is based on the Actuarial Equivalent annuity that your lump sum can provide, based on your age and other parameters at the time that the annuity starts.

The value of your total retirement benefit will be determined by combining your accrued benefit under Part A — Benefit plus your accrued benefit under Part B — Cash Balance Benefit.

You can begin receiving your full deferred vested benefit at age 65. Alternatively, you may elect to start receiving benefits before age 65, although the Part A — Benefit amount will be actuarially reduced based on your age at the time benefits commence, because it will be paid to you for a longer period of time than if you had waited until age 65 to begin receiving your benefit and interest on your Part B — Cash Balance Benefit will stop accruing at the time your benefit commences (if it had not otherwise stopped earlier).

In certain cases, as described in "How your retirement benefit is paid," your spouse's consent may be required to begin your benefit before age 65.

How your retirement benefit is paid

Normal forms of payment

The way your benefit is paid depends on whether you are single or married when payments start:

- If you are single, your benefit will be paid in monthly payments for as long as you live. No payments are made after your death. This is referred to as the Life Only Option.
- If you are married, your benefit will be paid for as long as you live, in monthly payments that are less than you would receive if you were single. However, after your death, 50% of the monthly payment amount you received will continue to be paid to your qualifying spouse or Domestic Partner for his or her life. This is referred to as the 50% Joint and Survivor Option.

These are the standard forms of payment under the Plans. You may instead elect one of the optional forms of payment described below. To do so, you must file the appropriate application form within the 90-day period before your benefit commencement date. If you are married, your spouse must consent in writing to your election of an optional form of payment, to your designation of a beneficiary other than your spouse, and, it may be required if you elect to begin receiving benefits before age 65. (Your spouse's consent is not required if you elect the 75% or 100% Joint and Survivor Option described below with your spouse as your beneficiary.)

Optional forms of payment

The Plans offer optional forms of payment that are the Actuarial Equivalent in value to the Life Only Option, but the amount of monthly payments provided by each option will be different to take into account the different payment features provided. The following optional forms of payment are available:

- *Life only option.* Your benefit will be paid in monthly payments for your life only. (This is the normal form of payment for single participants but is optional for married participants.)
- *Joint and survivor option.* Your benefit will be paid in reduced monthly payments for your life and, after you die, monthly payments will continue to your beneficiary, if then living, for his or her life. The amount of your beneficiary's monthly payment can be 100%, 75%, 50% or 25% of your monthly payment — as you choose. Choosing a larger survivor benefit will cause the monthly amount paid during your lifetime to be less. If your beneficiary is not living at the time of your death, no further payments will be made.
- *Period certain option.* Your benefit will be paid in reduced monthly payments for your lifetime with a guaranteed minimum payment period. This means that if you die before the end of that period, the same monthly payments will continue to your beneficiary for the remainder of the period. Your benefit can be guaranteed for 5, 10 or 15 years — whichever period you prefer. If you live longer than the guaranteed period you elect, monthly payments will continue for the rest of your life but no benefit will be paid to your beneficiary upon your death.
- *Joint and survivor with pop-up option.* Your benefit will be paid in reduced monthly payments for your life and, after you die, monthly payments will continue to your beneficiary, if then living, for his or her life. The amount of your beneficiary's monthly payment can be 100%, 75% 50% or 25% of your monthly payment — as you choose. If, however, your beneficiary dies before you, the monthly payments payable to you thereafter "pop-up" to the monthly amount you would have received if you had elected the Life Only Option and will continue for the rest of your life, but no benefit will be paid to your beneficiary upon your death.

Beneficiary designations

Your beneficiary under the Plans is the person or persons, including a trust, you properly designate to receive payments after your death pursuant to the option you have elected. If you are married, your spouse must consent in writing to your designation of someone other than your spouse. You may change your beneficiary designation at any time before your payments start. If you elect the Period Certain option, you may also change your beneficiary designation after payments commence. You may not change your beneficiary designation with any other form of benefits option after payments commence. However, if you are married, your spouse must consent in writing to the change unless the change results in the designation of your spouse as sole beneficiary. Beneficiary designations may be made, revoked or changed only by completing a signed form acceptable to the Retirement Committee that is filed with the Retirement Committee before your death. Spousal consent must be signed and notarized or witnessed by a designated representative of the Plans.

Required distributions

You are required to begin taking at least minimum distributions of your benefit after reaching age 72 (70½ if you attained age 70½ prior to January 1, 2020) if you are no longer working for EY or face excise (penalty) taxes imposed by the Internal Revenue Code. If you continue to work past age 65 on or after January 1, 2016, you will receive a Suspension of Benefits Notice where benefits will not be paid until after you terminate your employment. You will accrue benefits until that time.

Lump-sum payment

If the present value of your vested benefit under the Plans is $1,000 or less, **you must receive the present value** of your vested benefit in a single lump-sum payment after you leave the Firm in lieu of receiving monthly payments from the Plans. The present value of your lump-sum benefit payment is determined as of the first day of the month following your severance date.

If the present value of your vested benefit under the Plans is greater than $1,000, **you may elect to receive your full benefit in a single lump-sum payment** if:

(1) The actuarial present value of your vested benefit is less than or equal to $25,000;

(2) Your separation of service occurs on or after your Normal Retirement Date;

(3) Your separation of service occurs before your Normal Retirement Date provided you:

- Are credited with 10 Years of Vesting Service and have reached age 55;
- Were a participant in the Arthur Young Plan, first performed services for Arthur Young United States on or after January 1, 1988, have been credited with five Years of Vesting Service, and have reached age 60; or
- Leave the Firm on or after January 1, 2017 after you have reached age 50 with at least three Years of Vesting Service and the combination of your age and Years of Vesting Service equals at least 75;

— OR —

(4) The actuarial present value of your vested benefit is greater than $25,000 and you are within six months of your separation of service. If you do not request a distribution within six months and elect a commencement date not later than the first of the month following the six-month anniversary of your separation of service, the lump sum exceeding $25,000 will not be available to you until you reach your earliest retirement age, which is defined by the Plans as:

- The date a vested participant reaches his or her Normal Retirement Date,
- The date a vested participant who has accrued at least 10 Years of Vesting Service upon separation of service reaches age 55, or
- The date a vested participant who has accrued at least three Years of Vesting Service upon separation of service and the participant's age plus vesting service is at least 75, reaches age 50.

Under lump-sum payment options (1), (2), and (3) above, your Part A — Benefit lump-sum, if applicable, will be the greater amount between the Actuarial Equivalent present value of the pension annuity commencing on your Normal Retirement Date or the Actuarial Equivalent present value of the pension annuity commencing on your Pension Commencement Date. Under lump-sum option (4), your Part A — Benefit lump sum is the Actuarial Equivalent present value of the benefit commencing on your Normal Retirement Date.

In all cases, your Part B — Cash Balance Benefit lump-sum amount will be equal to your Cash Balance Account balance on your Pension Commencement Date.

Alternatively, you may defer your benefit not later than your Normal Retirement Date. If you are married, your spouse must consent in writing to your election for a lump-sum payment.

Tax rules affecting lump-sum distributions are described in "Survivor benefits, offset and special tax rules."

How a lump-sum payment works

A lump-sum payment means that you are paid the entire value of your vested benefit in one lump-sum payment instead of monthly annuity payments when you retire from or leave the Firm. This option allows you to lock in 100% of the total value of your benefit for your family or for your estate. Detailed information about your lump-sum option will be provided when you are ready to commence your benefits.

The present value of your benefit is determined as of the day you commence your benefit. The calculation is based on the applicable mortality factors and interest rates prescribed by the Internal Revenue Code and the IRS and in effect under the Plans at the time your benefit commences. The applicable mortality factors and interest rates can change over time based on changes in life expectancy and market conditions.

When you leave EY, you'll need to decide how you want to receive your lump-sum payment:

- **Roll over your lump-sum payment into an Individual Retirement Account (IRA) or into another employer plan that accepts rollovers, such as a 401(k) plan.** This option may allow you to avoid a potential Internal Revenue Code early distribution penalty and defer taxes until you start taking distributions. You'll need to consider the possible tax and other advantages available to you with a lump-sum rollover.

- **Receive a check made payable to you.** With this form of payment, you will be subject to applicable withholding taxes, and the distributed amount will be taxable income for federal income taxes, including a possible 10% early withdrawal tax penalty. State and local taxes may also apply.

Please refer to "Survivor benefits, offset and special tax rules" below for more information.

Rollover into a Roth IRA

You or your beneficiary can roll over a lump-sum payment of non-Roth money from the Plans to a Roth IRA, as well as to another IRA or eligible employer plan. If you roll over a payment of non-Roth money to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability), or as a qualified first-time homebuyer distribution of up to $10,000) and after you have had a Roth IRA for at least five years. In applying this five-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies).

You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, *Individual Retirement Arrangements (IRAs).*

Please note: If a participant dies leaving his or her accrued benefit to a designated beneficiary who is not his or her spouse, the designated beneficiary may roll over the inherited assets into a traditional or Roth IRA.

Written spousal consent

Any written consent of a spouse that is required under the Plans must acknowledge the effect of the consent and be witnessed by a designated Plan representative or notary public. In general, the written consent of your spouse will be required when the effect of your elections or beneficiary designations will be to deny your spouse all or a portion of the benefit to which he or she would otherwise become entitled upon your death.

Recovery of overpayment

If any benefit payment is made in error or in excess of the amount you are due according to the terms of the Plans, your future benefits may be reduced by the amount of the error or the excess payment plus interest. The Plans may also recover the error or excess payment amount directly from you or your estate or in any other manner.

Survivor benefits, offset and special tax rules

Survivor benefits

If you are married or have a designated Domestic Partner, have a vested right to the Part A — Benefit under the Plans, and die before your benefit payments begin, a benefit will be paid to your surviving spouse or Domestic Partner. (This Part A — Benefit is available only to your surviving legal spouse or your Domestic Partner, provided you have properly designated your partner through Better You (formerly Benefits Express).) If you die while an active employee with an hour of service on or after January 1, 2017 (or were at least age 40 with 15 or more years of vesting service at the time of Permanent and Total Disability on or after January 1, 2017), but prior to commencing benefit payments, your spouse will receive a monthly benefit for his or her life in an amount equal to the monthly benefit your spouse would have been eligible to receive if you had terminated your service with the Firm and elected to begin receiving benefits on the day before your death in the form of the 100% Joint and Survivor Option with your spouse as the beneficiary.

Otherwise, if you die after you terminate employment but prior to commencing benefit payments, your spouse or designated Domestic Partner will receive a monthly benefit for his or her life in an amount equal to the monthly benefit your spouse or Domestic Partner would have been able to receive if you had elected to begin receiving benefits on the day before your death in the form of the 50% Joint and Survivor Option with your spouse or Domestic Partner as the beneficiary.

A single life annuity or a single lump-sum payment option is available to your surviving spouse or Domestic Partner. The lump-sum amount is equal to the Actuarial Equivalent present value of the single life annuity that would have been payable to the spouse or Domestic Partner.

Effective January 1, 2017, if you are married or have a designated Domestic Partner, have a vested right to the Part B — Cash Balance Benefit under the Plans, and die before your benefit payments begin, a benefit will be paid to your surviving spouse or Domestic Partner unless you have properly designated, under rules established by the Retirement Committee, someone else as your beneficiary (and with the express written consent of your spouse if you are married). To designate someone other than your surviving spouse or Domestic Partner as your beneficiary you must complete and execute the beneficiary designation form prescribed by the Retirement Committee, file the beneficiary designation with the Retirement Committee by submitting it to Better You (formerly Benefits Express) and have the form accepted by the Retirement Committee. If you are single, your benefit will be paid to your designated beneficiary. Married participants (with spousal consent) and other plan participants can choose multiple primary and contingent beneficiaries to receive the benefit. The beneficiaries must be properly designated through Better You (formerly Benefits Express) before your death to be valid. Only a spouse beneficiary can defer commencement of benefits until your Normal Retirement Date, provided your spouse is the sole primary beneficiary. A single life annuity or a lump-sum option is available to any beneficiary. The lump-sum amount of the Part B — Cash Balance Benefit is equal to your Cash Balance Account balance on the 1st of the month coincident or next following the date of your death, and there is no dollar limit on the amount that can be paid by lump sum. The single life annuity is the actuarial equivalent of the Cash Balance Account. If you did not designate a beneficiary by the date of your death, the Part B — Cash Balance Benefit will be paid out in this order: (i) surviving spouse or surviving Domestic Partner, and (ii) your estate.

If you have the same beneficiary for both the Part A — Benefit and the Part B — Cash Balance Benefit, the same form of payment must be elected for each benefit. If the beneficiaries differ, a separate form-of-payment election can be made by each beneficiary.

If a participant dies leaving his or her accrued Part B — Cash Balance Benefit to a designated beneficiary who is not his or her spouse, the designated beneficiary may roll over the inherited assets into a traditional or Roth IRA.

If you die during military service

If you die while performing qualified military service, your beneficiary will receive any additional benefits that would have been provided to you had you resumed employment prior to your death. This includes vesting and ancillary death benefits, but not additional benefit accruals.

Offset for Arthur Young account balance

If you were a participant in the Arthur Young Plan that existed prior to January 1, 1989, you may have an account balance attributable to Supplementary Firm Contributions made on your behalf. This account is now part of the Ernst & Young Retirement Savings Plan. If you elect to transfer this account balance as of December 31, 2016 to the Ernst & Young Defined Benefit Retirement Plan before your benefit under the Ernst & Young Defined Benefit Retirement Plan begins, your Part A — Benefit will be calculated as described earlier in this document — i.e., without offset. (This right to transfer is only available to staff members who are employed on their Early Retirement Date.) If your severance occurs before your Early Retirement Date, or if your severance occurs after your Early Retirement Date and your Supplementary Firm Contributions account balance as of December 31, 2016 is not transferred to this Plan, your benefit under the Ernst & Young Defined Benefit Retirement Plan will be reduced by an amount which is the Actuarial Equivalent value of your account balance as of December 31, 2016.

Special tax rules for lump-sum distributions

Federal income tax must generally be withheld at a rate of 20% on lump-sum distributions. Withholding is not required on distributions that are a direct rollover to an IRA or another employer's qualified plan. The distribution will be taxed later when you take it out of the IRA or the employer plan.

Lump-sum distributions received from the Plans may be subject to a 10% tax in addition to the regular income tax payable. This additional tax applies if payments are made to you unless:

(1) You are age 59½ or older;

(2) You are disabled;

(3) You leave the Firm at age 55 or later;

(4) The payment is a direct rollover to an IRA or another employer's qualified plan; or

(5) Within 60 days from receipt of payment, you roll over the distribution into another qualified plan or IRA.

The additional 10% tax does not apply to lump-sum distributions to your spouse or beneficiary following your death.

If you leave the Firm, you may roll over all or part of your lump-sum distribution into an IRA or a qualified plan of your new employer, if that plan accepts rollovers.

You should consult with your personal tax adviser before requesting a lump-sum distribution from the Plans so that you fully understand the impact on your personal tax situation.

Applying for benefits, loss of benefits and plan cost

Estimating your benefits

To obtain an estimate of your retirement benefits, contact Better You (formerly Benefits Express) at http://digital.alight.com/ey or by telephone at +1 877 339 1239.

Applying for your benefits

You must contact Better You (formerly Benefits Express) at +1 877 339 1239 to initiate your benefit but no more than 90 days before the date your payments will be made or begin. You must complete and return all required forms.

How you can lose your benefits

You should be aware of the following circumstances that could cause you to lose or forfeit your benefits under the Plans.

- *Termination*. If your employment terminates before you become vested, you will lose any Part A — Benefit you have accumulated in the Plans unless you are subsequently reemployed. If your employment terminates before you become vested, you will lose any Part B — Cash Balance Benefit you have accumulated in the Plans unless you are subsequently reemployed before incurring a five-year break-in-service.
- *Death*. If you die before becoming eligible for a vested benefit, no benefit is payable. If you are eligible for a benefit and die before payment of your benefit begins, the only benefit payable is the pre-retirement survivor benefit described earlier. If you die after you have begun to receive benefits, the benefit payable after your death, if any, will depend on the form of payment you elected.
- *Return to active service*. If you return to active employment with EY after starting to receive a pension and you are under age 65, your payments will be suspended while you are an active staff member but you may accrue additional pension benefits for this period of service. Pension benefits will be recalculated, reduced for the payments you have already received, and resumed again when you terminate your active employment.

  If you return to active employment with EY within 60 days after your retirement date, and you are age 65 or over, your Part B — Cash Balance Benefit payments will be suspended while you are an active staff member. You will continue to receive your Part A — Benefit payments. Your Part B — Cash Balance pension benefits will be recalculated, reduced for payment you have already received, and resumed again when you terminate your active employment. If you return to active employment with EY more than 60 days after your retirement date and you are age 65 or over, all benefit payments will continue.If you return to active employment with EY and are under age 65, all benefit payments will be suspended until your employment is terminated.
- *Working after age 65*. If you continue to work for EY past age 65, no benefits will be paid to you until you actually retire. However, you will continue to accrue benefits up to the maximum under the Plans until you actually retire.

Plan cost

The Plans require no contributions from you. EY pays the entire cost of these benefits. Contributions by EY to the Plans are actuarially determined.

Plan interpretation

The Retirement Committee has the sole discretion to interpret the provisions of the Plans. While the Firm intends to continue the Plans described herein, the Firm reserves the right to amend or terminate the Plans at any time without prior notice, in any manner, and with respect to any class of individual.

Complete information about the Plans is contained in the applicable Plan documents maintained by EY. If a conflict exists between this summary and the applicable plan documents, the applicable Plan documents will govern. Questions should be directed to Better You (formerly Benefits Express) at +1 877 339 1239.

Assignment of benefits

The assets of the Plans are used exclusively to provide benefits to you and your properly designated beneficiaries while the Plans continue. You cannot assign, transfer or attach your benefits or use them as collateral for a loan, except to the extent the Plans receive a Qualified Domestic Relations Order. You cannot transfer your rights to a benefit under the Plans to a trust but you may designate a trust to be your beneficiary.

Qualified Domestic Relations Order

A Qualified Domestic Relations Order is an order or judgment made by a court under a state's domestic relations laws, which recognizes the right of a spouse, former spouse, child or other dependent of a participant to some or all of his or her benefits under the Plans and which meets certain requirements of the Internal Revenue Code. Plan participants and beneficiaries can obtain, without charge, from Total Rewards — Benefits the Plans' procedures for determining whether a court order or judgment meets the requirements of the Internal Revenue Code.

In addition, the Plan Administrator will comply with a court order, judgment, decree or settlement relating to criminal or civil violations involving the Plans that provides for all or a portion of your benefits to be used as payment to the Plans to satisfy such court order, judgment, decree or settlement, provided that the rights of your spouse or beneficiary to your benefits will not be violated.

Top-heavy rules

Under the law, if 60% of the Plans' benefits are payable to "key employees" as defined by law, the Plans will be deemed to be "top-heavy." If the Plans become top-heavy, participants will become vested at an accelerated rate and certain benefit minimums will apply. It is very unlikely, however, that the Plans will become top-heavy.

If the Plans are underfunded

Certain limits on benefit payments and benefit accruals apply if the Plans fall short of funding targets (also called "underfunded") established by the Pension Protection Act of 2006. EY will notify you if these benefit restrictions apply.

Termination of the Plans

While the Firm intends and expects to continue the Plans, it reserves the right to amend or terminate the Plans at any time without prior notice, in any manner, and with respect to any class of individual. However, no amendment may be made that would deprive you of any benefit you had earned up to the time of the amendment.

In the unlikely event that the Plans are terminated, active participants will become fully vested in their benefits accrued to the date of termination to the extent funded as of that date. Upon Plan termination, the Plans' assets will be applied for the benefit of retired participants, beneficiaries, and terminated vested and active participants — as prescribed by law. The Plans provide that if they are terminated, any excess assets remaining after all liabilities to participants and beneficiaries are satisfied will be returned to the Firm. If the assets of the Plans are insufficient to pay all benefits, benefits may be guaranteed by the Pension Benefit Guaranty Corporation, as described below.

Plan termination insurance

Your pension benefits under these Plans are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the Plans terminate 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 Plans terminate; 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 the benefit increases and new benefits based on Plan provisions that have been in place for less than five years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough; (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, P.O. Box 151750, Alexandria, VA 22315-1750 or call +1 800 400 7242 or +1 202 326 4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at +1 800 877 8339 and ask to be connected to +1 800 400 7242. Additional information about the PBGC's pension insurance program is available at http://www.pbgc.gov.

How to request benefits

To request a benefit from the Plans, contact Better You (formerly Benefits Express) at +1 877 339 1239.

The Employee Retirement Income Security Act of 1974 (ERISA)

Statement of ERISA rights

As a participant in the Ernst & Young Defined Benefit Retirement Plan or the Ernst & Young Inactive Defined Benefit 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 the Plans and your plan benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plans, including a copy of the latest annual report (Form 5500 Series) filed by the Plans 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 Plans, including copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The administrator may make a reasonable charge for the copies.

Examine the annual report and receive a copy of it upon written request.

Receive a summary of the Plan's annual funding notice. The Plan Administrator is required by law to furnish each participant with a copy of the annual funding notice.

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 Plans 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 Plans 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 an employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plans, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer 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 Plan documents or the latest annual report from the Plans and do not receive them within 30 days, you may file suit in 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 which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plans' 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 Plans' money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with your questions

If you have any questions about the Plans, 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, DC 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.

The following information regarding the Plans is provided to you in accordance with the Employee Retirement Income Security Act of 1974 (ERISA):

Plan names	Ernst & Young Defined Benefit Retirement Plan Ernst & Young Inactive Defined Benefit Retirement Plan
Employer Taxpayer Identification Number	34-6565596
Plan number	111 (Ernst & Young Defined Benefit Retirement Plan) 114 (Ernst & Young Inactive Defined Benefit Retirement Plan)
Plan sponsor and employer	Ernst & Young US LLP Total Rewards — Benefits 200 Plaza Drive Secaucus, NJ 07094
Type of plan	Defined Benefit
Plan Year	January 1 through December 31
Plan administrator	Ernst & Young US LLP Retirement Committee 200 Plaza Drive Secaucus, NJ 07094 Telephone: +1 201 872 2200
Plan costs	Paid by Ernst & Young US LLP
Agent for service of legal process	General Counsel of Ernst & Young US LLP 5 Times Square New York, NY 10036 Telephone: +1 212 773 3800 Legal process may also be served on the Retirement Committee or Plan Trustee.
Plan Trustee	JPMorgan Chase Bank 4 Metrotech Plaza, 16th Floor Brooklyn, NY 11245
How to file a claim	If you believe you are entitled to a benefit under the Plans that you have not received, you may file a claim for benefits with the National Director of Benefits, Ernst & Young US LLP, 200 Plaza Drive, Secaucus, NJ 07094.
Review of claim	If your claim for benefits is denied, in whole or in part, by the National Director of Benefits, the Review Committee will give you written notice of the adverse benefit determination within 90 days after the claim was received (plus an additional 90 days if the Review Committee determines that special circumstances require an extension of time for processing the claim and if written notice of the additional 90-day extension of time indicating the specific circumstances requiring the extension and the date by which a decision will be rendered is given to you within the first 90-day period). The notice will (1) state the specific reason(s) for the adverse benefit determination, (2) make reference(s) to the specific provisions of the Plans on which the determination was based, (3) contain a description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary, and (4) contain a description of the Plans' review procedures, and the time limits applicable to such procedures, including a statement of your right to bring a civil action under ERISA following an adverse benefit determination on review.

Within six months after receipt of a notification of an adverse benefit determination, you or your authorized representative may appeal the denial by filing with the Review Committee a written request for a review of your claim. If such an appeal is so filed within such six-month period, a Named Fiduciary designated by the Review Committee will conduct a full and fair review of the claim. During the review, you or your authorized representative will be provided with (1) the opportunity to submit written comments, documents, records and other information relating to the claim for benefits and (2) reasonable access to and copies of, upon request and free of charge, all documents, records and other information relevant to your claim for benefits. A document, record or other information is "relevant" for these purposes if it (1) was relied upon in making the benefit determination, (2) was submitted, considered or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination, or (3) demonstrates compliance with the administrative processes and safeguards required under ERISA in making the benefit determination. In addition, the review will take into account all comments, documents, records and other information submitted by you relating to the claim, without regard to whether the information was submitted or considered in the initial benefit determination. The Named Fiduciary will mail or deliver to you written notice of the benefit determination on review within a reasonable period of time, but not later than 60 days after the receipt of the request for review unless special circumstances require an extension of time for processing. If the Named Fiduciary determines that an extension of time for processing is required, written notice of the extension will be furnished to you setting forth the special circumstances requiring an extension of time and the date by which the Named Fiduciary expects to render a decision on review, and will be furnished prior to the termination of the initial 60-day period. In no event will the extension exceed a period of 60 days from the end of the initial period.

In the case of an adverse benefit determination on review, the notice of the determination will (i) state the specific reason(s) for the adverse benefit determination, (ii) make reference(s) to the specific provisions of the Plans on which the determination was based, (iii) contain a statement that you are entitled to receive, upon request, and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant (as defined above) to your claim for benefits, and (iv) contain a statement of your right to bring an action under ERISA. The determination on review will be final and binding.

You must exhaust the Plans' claims and appeal procedures before filing any legal action regarding a claim for benefits. Any legal action must be filed with a court of competent jurisdiction within one year after the date of the Named Fiduciary's written decision on the appeal of a denied claim.

Appendix A: Sample benefit calculations

This appendix includes sample calculations of normal, early and deferred vested retirement benefits. All calculations assume that no Supplementary Firm Contributions were made on the participant's behalf to the Arthur Young Plan. Social Security Covered Compensation amounts effective January 1, 2016 are shown in Appendix B.

Each of the following examples calculates the single life annuity payable for your life only. If you are married and receive the standard 50% Joint and Survivor benefit, or if you elect one of the optional forms of payment, your monthly benefits will be actuarially reduced. This reduction is based on the option you elect and the age of your spouse/Domestic Partner/beneficiary at the time benefit payments commence.

Normal retirement benefit

Part B — Cash Balance Benefit Only

Assume you started at the Firm at age 47. You want to know how much your retirement benefit will grow over the years. You have Compensation of $62,000 in 2020 and expect a 2½% increase each year thereafter. Your retirement benefit will grow as follows:

Year	Beginning Balance	Points	Annual Cash Balance Credit	Interest Credit	Ending Balance
2020	$0	47	3.25% x $62,000 = $2,015	$0	$2,015
2021	$2,015	49	3.25% x $63,550 = $2,065	4% x $2,015 = $81	$4,161
2022	$4,161	51	4% x $65,139 = $2,606	4% x $4,161 = $166	$6,933
2023	$6,933	53	4% x $66,767 = $2,671	4% x $6,933 = $277	$9,881

As of December 31, 2023, you would have a cash balance of $9,881, which you could take as a lump sum at that time. You could also elect to take the benefit as an annuity. The life annuity would be the Actuarial Equivalent at age 51 of the lump sum. The formula is $9,881 ÷ 18.2319 = $542 per year at age 51 for your lifetime.

You may also elect to defer your benefit. To convert this to the annuity equivalent at age 65 you have to increase it with 4% interest for 14 years and then convert the projected lump sum to an annuity. **The formula in this example is ($9,881 x 1.040^{14} ÷ 13.8084) = $1,239 per year at age 65 for your lifetime.**

Please note: The actual Actuarial Equivalent annuity conversion factors (18.2319 and 13.8084, respectively, in these examples) would be based on the IRC-defined mortality ("applicable mortality table") and interest rates ("applicable interest rate") appropriate for an annuity being paid in the years 2023 and 2038, respectively; for illustration purposes, we are using IRC mortality for 2020 and a 4% interest rate.

The "applicable interest rate" is within the meaning of IRC Section 417(e)(3) for the fifth calendar month preceding the calendar quarter in which the date of distribution occurs and the "applicable mortality rates" are the mortality rates prescribed by IRC Section 417(e)(3) for the Plan Year in which the distribution occurs.

Normal retirement benefit

Combined Formula

Assume you are retiring on July 1, 2020 at age 65 with 33-1/2 Years of Vesting Service and 30 Years of Benefit Service (as of December, 31, 2016), $62,500 Compensation through June 2020 and a Final Average Compensation of $100,000 as of December 31, 2016. Your benefits payable under the Defined Benefit Retirement Plan are:

Part A — Benefit

For purposes of illustration, your Part A — Benefit as of December 31, 2016 is determined under the FAC Benefit:

Lesser of Social Security Covered Compensation and Final Average Compensation	$88,884	
Plan multiplier	x 1.3%	$1,155
Excess Final Average Compensation over Social Security Covered Compensation	$11,116	
Plan multiplier	x 1.7%	$ 188
		$1,344
Years of Benefit Service (30 years maximum)		x 30
Annual retirement benefit, payable at age 65 for your lifetime only		$40,334

Part B — Cash Balance Benefit

Year ending	Compensation	Points	Transition Points	Applicable %	Percentage times compensation	Interest Credit	Account Balance
2017	$102,000	91.50	91.50	12.00%	$12,240	$0	$12,240
2018	104,000	93.50	91.50	12.00%	12,480	490	25,210
2019	106,000	95.50	91.50	13.00%	13,780	1,009	39,998
June 30, 2020	62,500	97.50	91.50	13.00%	8,125	800	48,923

Part B — Cash Balance Benefit total	$48,923
Actuarial Equivalent Annuity Factor at age 65*	13.8084
Annual retirement benefit, payable at age 65 for your lifetime only (Balance/Factor) *Factor based on IRC Section 417(e) Mortality for 2020 and Interest (4% for illustration purposes)	$3,543
Part A plus Part B	$43,877

If you terminated employment on December 31, 2016, your benefit would have been calculated under the Part A — Benefit formula only, with a total retirement benefit of $40,334 payable at age 65. Furthermore, because you were at least age 60 and had over 30 years of service, you could also have commenced at that time without any reduction for early commencement.

Early retirement benefit

Assume you are retiring on July 1, 2020 at age 63 with 25 Years of Vesting Service and 21½ Years of Benefit Service (as of December 31, 2016), $62,500 annual Compensation through June 2020 and a Final Average Compensation of $100,000 as of December 31, 2016. If you elect to start collecting benefits immediately, your early retirement benefits payable under the Defined Benefit Retirement Plan are:

Part A — Benefit

For purposes of illustration, your Part A — Benefit as of December 31, 2016 is determined under the FAC Benefit:

Lesser of Social Security Covered Compensation and Final Average Compensation	$93,000	
Plan multiplier	x 1.3%	$1,209
Excess Final Average Compensation over Social Security Covered Compensation	$7,000	
Plan multiplier	x 1.7%	$ 119
		$1,328
Years of Benefit Service (30 years maximum)		x 21.5
Annual retirement benefit at age 65		$28,552
Early retirement reduction (subtract 5% for each year before age 65)		x .90
Annual retirement benefit, payable at age 63 for your lifetime		$25,697

Part B — Cash Balance Benefit

You receive a Transitional Credits since you have at least 60 Points and over 10 Years of Vesting Service as of December 31, 2016.

Year ending	Compensation	Points	Transition Points	Applicable %	Percentage times compensation	Interest Credit	Account Balance
2017	$102,000	81.00	81.00	12.00%	$12,240	$0	$12,240
2018	104,000	83.00	81.00	12.00%	12,480	490	25,210
2019	106,000	85.00	81.00	12.00%	12,720	1,008	38,938
June 30, 2020	62,500	87.00	81.00	12.00%	7,500	779	47,217

Part B — Cash Balance Benefit total	$47,217
Actuarial Equivalent Annuity Factor at age 63*	14.5105
Annual retirement benefit, payable at age 63 for your lifetime only (Balance/Factor) *Factor based on IRC Section 417(e) Mortality for 2020 and Interest (4% for illustration purposes)	$3,254
Part A plus Part B	$28,951

Early retirement benefit

Assume you are retiring on July 1, 2020 at age 60 with 30 Years of Vesting Service and 26-1/2 Years of Benefit Service (as of December 31, 2016), $70,000 Compensation through June 2020 and a Final Average Compensation of $120,000 as of December 31, 2016. Your benefit is calculated as follows:

Part A — Benefit

For purposes of illustration, your Part A — Benefit as of December 31, 2016 is determined under the FAC Benefit:

Lesser of Social Security Covered Compensation and Final Average Compensation	$98,580	
Plan multiplier	x 1.3%	$1,282
Excess Final Average Compensation over Social Security Covered Compensation	$21,420	
Plan multiplier	x 1.7%	$ 364
		$1,646
Years of Benefit Service (30 years maximum)		x 26.50
Annual retirement benefit, payable at age 65 for your lifetime only		$43,619

*(**Please note:** There is no early retirement reduction on or after age 60 with 30 or more Years of Vesting Service.)*

Part B — Cash Balance Benefit

You receive a Transitional Credit, since you have at least 60 Points and over 10 Years of Vesting Service as of December 31, 2016.

Year ending	Compensation	Points	Transition Points	Applicable %	Percentage times compensation	Interest Credit	Account Balance
2017	$122,400	83.00	83.00	12.00%	$14,688	$0	$14,688
2018	124,808	85.00	83.00	12.00%	14,977	588	30,252
2019	127,224	87.00	83.00	12.00%	15,267	1,210	46,729
June 30, 2020	70,000	89.00	83.00	12.00%	8,400	935	56,064

Part B — Cash Balance Benefit total	$56,064
Actuarial Equivalent Annuity Factor at age 60*	15.5277
Annual retirement benefit, payable at age 60 for your lifetime only (Balance / Factor) *Factor based on IRC Section 417(e) Mortality for 2020 and Interest (4% for illustration purposes)	$3,611
Part A plus Part B	$47,230

Deferred vested benefit

Assume you terminated employment on July 1, 2020 at age 48 with 29½ Years of Vesting Service and 26 Years of Benefit Service (as of December 31, 2016), $70,000 Compensation through June 2020 and a Final Average Compensation of $120,000 as of December 31, 2016. Your deferred vested benefits payable at age 65 under the Defined Benefit Retirement Plan are calculated as follows:

Part A — Benefit

For purposes of illustration, your Part A — Benefit as of December 31, 2016 is determined under the FAC Benefit:

Lesser of Social Security Covered Compensation and Final Average Compensation	$114,492	
Plan multiplier	x 1.3%	$1,488
Excess Final Average Compensation over Social Security Covered Compensation	$5,508	
Plan multiplier	x 1.7%	$94
		$1,582
Years of Benefit Service projected to age 65 (30 years maximum)		x 30
Annual retirement benefit, payable at age 65 for your lifetime only		$47,460
Ratio of your actual Years of Benefit Service at December 31, 2016 to your possible Years of Benefit Service to age 65		x 26/46½
Annual deferred vested benefit, payable at age 65 for your lifetime only		$26,537

Part B — Cash Balance Benefit

You receive Transitional Credits, since you have at least 60 Points and over 10 Years of Vesting Service as of December 31, 2016.

Year ending	Compensation	Points	Transition Points	Applicable %	Percentage times compensation	Interest Credit	Account Balance
2017	$122,400	70.50	70.50	10.00%	$12,240	$0	$12,240
2018	124,808	72.50	70.50	10.00%	12,481	490	25,210
2019	127,224	74.50	70.50	10.00%	12,722	1,008	38,941
2020	70,000	76.50	70.50	10.00%	7,000	1,558	47,499

Part B — Cash Balance Benefit total at December 31, 2020	$47,499
Interest Credits at 4% until Age 65 (16.5 years)	43,244
Part B — Cash Balance Benefit Total at July 1, 2037	$90,743
Actuarial Equivalent Annuity Factor at age 65*	13.8084
Annual retirement benefit, payable at age 65 for your lifetime (Balance/Factor) *Factor based on IRC Section 417(e) Mortality for 2020 and Interest (4% for illustration purposes)	$6,572
Part A plus Part B	$33,108

Deferred vested benefit

Assume you terminated employment on December 31, 2020 at age 38 with 8 Years of Vesting Service and 4 Years of Benefit Service (as of December 31, 2016), $78,000 Compensation in 2020 and a Final Average Compensation of $75,000 as of December 31, 2016. Your deferred vested benefits payable at age 65 under the Defined Benefit Retirement Plan are calculated as follows:

Part A — Benefit

Since your employment began prior to January 1, 2014, your Part A — Benefit is the highest calculation among the FAC Benefit, Prior CB Benefit and the Minimum Flat Dollar Benefit:

1. FAC Benefit

Lesser of Social Security Covered Compensation and Final Average Compensation	$75,000	
Plan multiplier	x 1.3%	$975
Excess Final Average Compensation over Social Security Covered Compensation (x 1.7%)	$0	$ 0
		$975
Years of Benefit Service projected to age 65 (30 years maximum)		x 30
Annual retirement benefit at age 65 (hypothetical, before reduction)		$29,250
Ratio of your actual Years of Benefit Service at December 31, 2016 to your possible Years of Benefit Service to age 65		x 4/35
Annual deferred vested benefit, payable at age 65 for your lifetime only		$3,343

2. Prior CB Benefit

Annual deferred vested benefit, payable at age 65 for your lifetime only		$6,270

Year ending	Compensation	Applicable percentage	Percentage times compensation	Interest for year*	Prior CB Benefit end of Plan Year (or termination date if earlier)
December 31, 2014	$75,000	5%	$3,750	7.50%	$3,750
December 31, 2015	75,000	4%	3,000	7.50%	7,031
December 31, 2016	75,000	3%	2,250	7.50%	9,809
December 31, 2020		9,809 x 1.06 ^ 4 =			12,383

*The plan specified interest rate applied to the Prior CB Benefit was 7.5% for all years through December 31, 2016 and 6.0% thereafter.

The annual annuity payable at age 65 (for your lifetime only) is determined by projecting the Prior CB Benefit at termination using the interest rate, the number of years from the termination date to age 65, and the age 65 annuity factor. In this example, the number of years to age 65 is 27, the age 65 annuity factor is 9.5237, and the interest rate is 6.0% per year. **The formula in this example is ($12,383 x 1.06^27 ÷ 9.5237) = $6,270 per year for your lifetime only.** In this example, the Prior CB Benefit calculation provides an annuity higher than the FAC Benefit (see preceding page).

3. Minimum Flat Dollar Benefit

The Minimum Flat Dollar Benefit method (for participants hired before January 1, 2014) provides an annual accrual of $3,800 during the period commencing January 1, 2014 and ending on the three-year anniversary of participation for a total of $11,400.

You receive higher of 1, 2 or 3

Final Part A — Benefit Payable at Age 65 (max 1, 2 and 3)	$11,400

Part B — Cash Balance Benefit

Year ending	Compensation	Points	Applicable %	Percentage times compensation	Interest Credit	Account Balance
2017	$76,500	38.00	3.25%	$2,486	$0	$2,486
2018	77,990	40.00	3.25%	2,535	99	5,120
2019	79,470	42.00	3.25%	2,583	205	7,908
2020	78,000	44.00	3.25%	2,535	316	10,759

Part B — Cash Balance Benefit total at December 31, 2020	$10,759
Interest Credits at 4% until Age 65 (27 years)	2.8834
Part B — Cash Balance Benefit Total at July 1, 2037	$31,022
Actuarial Equivalent Annuity Factor at age 65*	13.8084
Annual retirement benefit, payable at age 65 for your lifetime (Balance/Factor) *Factor based on IRC Section 417(e) Mortality for 2020 and Interest (4% for illustration purposes)	$2,247
Part A plus Part B	$13,647

Appendix B: Social Security Covered Compensation

The following table shows the amount of Social Security Covered Compensation for different years of birth, based on the IRS table in effect on January 1, 2016. This schedule is used for the Part A — Benefit through December 31, 2016 only.

Year of birth	Amount of Social Security Covered Compensation effective January 1, 2016		Year of birth	Amount of Social Security Covered Compensation effective January 1, 2016
1947	$67,308		1965	$106,716
1948	69,996		1966	108,144
1949	72,636		1967	109,464
1950	75,180		1968	110,664
1951	77,640		1969	111,756
1952	80,004		1970	112,716
1953	82,308		1971	113,616
1954	84,564		1972	114,492
1955	88,884		1973	115,308
1956	90,984		1974	116,004
1957	93,000		1975	116,604
1958	94,920		1976	117,072
1959	96,780		1977	117,408
1960	98,580		1978	117,744
1961	100,320		1979	118,080
1962	101,964		1980	118,320
1963	103,608		1981	118,452
1964	105,204		1982 and later	118,500

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