Target Corporation Pension Plan

• You are receiving this booklet because you are a participant in the Target Corporation Pension Plan. Plan participants include active team members, retirees in payment status, and former team members who have not yet started pension benefits.

• Your benefit is 100 percent company-paid.

• Benefit information is available at www.targetpayandbenefits.com.

• You may speak with a pension representative at the Target Benefits Center (800-828-5850) regarding any questions you have about your benefit.

• When you leave Target, you will receive information in the mail about your payment options.

• During the time after you leave Target but before benefits start, it is very important that you update the Target Benefits Center regarding any change to your marital status or mailing address.

• You may have a Traditional Plan benefit, a Personal Pension Account, or both, depending on when you joined Target and, if applicable, the choice you made during the 2002 Pension Choice Window.
introduction

This booklet is a Summary Plan Description (SPD) of the Target Corporation Pension Plan (the "plan") as required by federal law. The booklet is for participants actively participating in the plan or terminating their employment on or after January 1, 2020.

The plan comprises two different benefits, the Traditional Plan and the Personal Pension Account, both of which are covered in this booklet. The sections of this booklet that describe the Traditional Plan apply only to participants with a Traditional Plan benefit, and the sections that describe the Personal Pension Account apply only to participants with a Personal Pension Account.

Team members who were active participants in the pension plan prior to 2003 had the opportunity to make a choice to stay in the Traditional Plan or join the Personal Pension Account part of the plan. All team members who became active participants after January 1, 2003 (including persons hired in 2002 or later and those rehired team members who were not plan participants at the time the pension choice was made) joined the Personal Pension Account part of the plan.

Participants entering the plan before January 1, 2003 who elected the Personal Pension Account may have benefits under both versions of the plan. Their Traditional Plan benefit was frozen as of December 31, 2002. Benefit service and accruals after that date are credited under the Personal Pension Account.

Read this booklet carefully so that you understand the plan benefits. This booklet should be read completely. Many of its provisions are interrelated — reading just one or two provisions may give you a misleading impression. Please note there is a "Terms to Know" section toward the end of the booklet to which you may refer as you read through this SPD. If you have any questions, call the Target Benefits Center at 800-828-5850.

This booklet summarizes the legal documents that govern how the plan is administered. If there is any conflict between the legal documents and this summary, the legal documents will control. You may obtain copies of the legal documents that apply to you free of charge by calling the Target Benefits Center at 800-828-5850. No person has the authority to make verbal statements of any kind relating to the plan that are legally binding on Target Corporation (hereafter "Target") or that modify the terms of the plan.

Your participation in the plan and your entitlement to plan benefits are based on the condition that you furnish full, true and complete documents, data or other information and will promptly sign any document reasonably related to the administration of the plan requested by Target. Your participation in the plan does not constitute a contract of employment between you and Target or any other participating employer. Your employer may terminate your employment regardless of your status in the plan.

Clerical errors, such as inaccurate effective dates and termination dates, or erroneous mailings, will not change the rights or obligations of you or Target under the plan, and will not operate to grant additional benefits to covered persons. You will be required to return to the trust any plan benefit payment(s), or portion thereof, made by a mistake of fact or a mistake of law.

Target expects to continue this plan indefinitely, but reserves the right to amend, discontinue or terminate the plan at any time by action of its Board of Directors.

Puede obtener mayor información llamando a la línea telefónica del Target Benefits Center (Centro de Beneficios de Target) al 800-828-5850.
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purpose of the personal pension account and traditional plan

The Personal Pension Account and Traditional Plan are intended to help participants provide for financial needs during their retirement years.

When you retire, your regular paychecks will stop. The Personal Pension Account and the Traditional Plan are designed to replace a portion of your regular paycheck with a regular pension benefit.

Together with Social Security, personal savings and your benefits under the TGT 401(k) Plan, the Personal Pension Account and the Traditional Plan provide a source of income you can count on to pay bills and meet other living expenses in your retirement years.

You do not contribute any money to the Personal Pension Account or the Traditional Plan. Target and the other participating employers pay the entire cost of your benefit. The money to pay your benefit is held in the pension plan trust.

participation and vesting

PARTICIPATION IN THE PERSONAL PENSION ACCOUNT AND TRADITIONAL PLAN

The information below explains who is eligible to participate in the pension plan.

Who Is Eligible to Participate?

You are eligible to participate in the plan on the first day of the month after you meet all of the following:

- You are an eligible team member of a participating employer under the plan; and
- You have reached age 21; and
- You have completed one full year (12 months in a row) of employment; and
- You have completed 1,000 hours of service in your first 12 months of employment (or in any succeeding calendar year); and
- You satisfy one of the following:
  - You were hired before January 1, 2009.
  - You were originally hired before January 1, 2009 and rehired before January 1, 2020.
  - The following special rule applies to non-exempt distribution center team members: You were hired before January 1, 2017 (or originally hired before January 1, 2017 and rehired before January 1, 2020).

Participation in the plan is automatic. You do not need to take any action to enroll.
Note: If you are rehired within 91 days of termination, the termination and rehire will be disregarded, and you will be treated under the plan as continuously employed. Beginning January 1, 2020, if you are rehired more than 91 days after termination, the following special rules may apply to you:

**Unvested at prior termination of employment** – If you were unvested in your pension benefit when you left Target, your benefit was forfeited. Vesting requires working three years of 1,000 or more hours. However, credited vesting service after January 1, 2020 may count toward vesting of your forfeited prior service benefit. If you meet vesting requirements after rehire, your prior service benefit will be restored, and you will be notified.

**Traditional Plan participants who left Target prior to age 55** – If you participated in the Traditional Plan and left Target with a vested accrued benefit prior to reaching age 55, a special rule may apply to you. Your prior service benefit was calculated using a formula that included projecting credited service to age 65 and then reducing the result by the ratio of your actual credited service to your projected credited service. Credited service after rehire may result in a change to the ratio of actual credited service to your projected credited service. Actual service is frozen as of your prior termination of employment, and pay after rehire is not considered; however, as a result of the decrease in projected years until you reach age 65, the benefit earned at your subsequent termination of employment could increase.

**Eligibility Service for Participation**

“Eligibility service” is service required before you may participate in the plan. The plan measures eligibility service counting actual hours. One year of eligibility service is credited when the participant has 1,000 hours of service during an eligibility computation period. The plan measures eligibility service as of the first anniversary of employment by Target or an affiliate. If the eligibility service requirement is not met, the plan changes to plan year computation periods. The first plan year measured is the calendar year that begins on the January 1 within your first anniversary year. The year of eligibility service is credited on the last day of the relevant computation period.

**Who Is Not Eligible?**

You are not eligible to participate in this plan during any period if you:

- Are not employed by Target or one of the other participating employers.
- Are classified by the company as an independent contractor or as any other status in which you are not treated as a common law employee of the company.
- Are covered by a contract or other written agreement that provides that you are not eligible for benefits under this plan.
- Are covered by a union-negotiated collective bargaining agreement unless, and only to the extent, such an agreement provides for coverage under the plan.
- Were hired after December 31, 2008 (unless originally hired before January 1, 2009 and rehired before January 1, 2020).
- The following special rule applies to non-exempt distribution center team members: Were hired after December 31, 2016 (unless originally hired before December 31, 2016 and rehired before January 1, 2020).
VESTING FOR THE PERSONAL PENSION ACCOUNT AND TRADITIONAL PLAN

Vesting Service

“Vesting service” is used to determine when a participant has earned a protected right to receive benefits under the plan.

For vesting purposes, you receive one year of service for each calendar year (or portion of a calendar year) in which you complete 1,000 or more hours of service. After completing three years of vesting service, you are 100 percent vested and therefore eligible to receive a pension plan benefit.

You may also achieve 100 percent vesting if the following circumstances apply:

- Two Years and Two Partial Years
  - You have completed two years of 1,000 or more hours per year; and
  - During each of your first and last calendar years of employment, you worked less than 1,000 hours; and
  - You worked at the rate of 1,000 hours per year during your last year of employment; and
  - The number of months you were employed during the first and last years of employment total at least 12. These 12 months equal one year of vesting service, for a total of three years.

- You are also 100 percent vested when you have reached normal retirement age and you have been working for three continuous years after the date you became a plan participant. Years are calculated on an elapsed time basis, rather than a completed calendar year basis. See the “Terms to Know” section for the complete definition of “normal retirement age.”

WHAT IS A BREAK IN SERVICE UNDER THE PERSONAL PENSION ACCOUNT AND TRADITIONAL PLAN?

Each full calendar year that you are gone from Target and its affiliates is considered a “break in service.” A break in service is also any year in which you work 500 or fewer hours.

The break-in-service rules can affect your eligibility service under both the Personal Pension Account and the Traditional Plan. A break in service can also affect your years of vesting service under the Traditional Plan. Note that somewhat different break-in-service rules, which are described under “Breaks in Service” on page 7, apply to your “points credited service” under the Personal Pension Account.

100 Percent Vested

If you leave Target and its affiliates after becoming 100 percent vested, you never lose your prior years of vesting service.

Non-Vested

If you leave Target and its affiliates before becoming 100 percent vested, you may or may not lose prior vesting service, depending on a number of factors. These factors include:

- The number of years of vesting service you had at your first termination of employment;
- The date of your first termination; and
- The number of years you were gone from Target and its affiliates between your first termination of employment and subsequent rehire.
If you are rehired before you have a break in service of five years or longer, your prior vesting service, prior points credited service and any prior accrued Personal Pension Account balance will be restored. Service after your rehire date will count toward vesting service and could ultimately result in 100 percent vesting of your prior account balance. One hundred percent vesting requires three years of 1,000 or more hours of service.

Prior vesting service is not lost if the prior years of vesting service are greater than the larger of five years or the number of years of a break in service. If the years of a break in service equal or exceed the greater of five years or the number of years of vesting service before the break, then all prior vesting service is lost. Participants who were less than 100 percent vested at prior termination of employment may become 100 percent vested based on additional service after rehire on January 1, 2020 or later. However, these participants do not earn additional pay credits for post-January 1, 2020 service; additional service will only add to vesting service and possibly cause the prior-service unvested benefit to become 100 percent vested.

For terminations of employment between February 1, 1976 and December 31, 1984, prior service is retained if the number of years of break in service do not equal or exceed the number of years of vesting service prior to the first termination of employment.

If you have been absent from work for maternity or paternity reasons (whether for pregnancy, birth, adoption or newborn care), you may be credited with up to 501 hours of service for vesting purposes, but only to prevent a break in service.
personal pension account

Under the Personal Pension Account, your pension benefit is tracked as an account.

HOW YOUR PERSONAL PENSION ACCOUNT WORKS

Your Personal Pension Account grows as pay credits are added to it and as it earns interest. The formula for calculating pension benefits under the Personal Pension Account is easy to understand — it's simply your account balance.

PAY CREDITS

Pay credits are added to your account every quarter, starting with the quarter in which you first become a plan participant. Pay credits are a percentage of your eligible pay, with the percentage based on your age and years of points credited service. Your age and years of points credited service (defined below) are simply the total of your full years of age added to your full years of points credited service. (Fractions of a year of either are disregarded.) Your age and points credited service are calculated at the end of the quarter. If you terminate employment during the quarter, your final pay credit is based on your age and points credited service calculated as of your date of termination. Here’s how pay credits are determined:

<table>
<thead>
<tr>
<th>Your Age Plus Years of Points Credited Service</th>
<th>Your Pay Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 40</td>
<td>1.5%</td>
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<tr>
<td>40 – 49</td>
<td>2.0%</td>
</tr>
<tr>
<td>50 – 59</td>
<td>2.5%</td>
</tr>
<tr>
<td>60 – 69</td>
<td>3.0%</td>
</tr>
<tr>
<td>70 – 79</td>
<td>4.0%</td>
</tr>
<tr>
<td>80 – 89</td>
<td>5.0%</td>
</tr>
<tr>
<td>90 or more</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

For example, let’s say you are 40 years old, you have worked for Target or other participating employer for 11 years and you earn $35,000. Your age and points credited service total 51, so 2.5 percent of your eligible pay during the quarter will be added to your Personal Pension Account.

INTEREST

Similar to a savings account, your Personal Pension Account earns interest over time. Interest is added to your account daily, calculated on the account balance at the beginning of the quarter. The interest rate used is the greater of (1) the average 10-year Treasury note rate for the two months before the beginning of the quarter, or (2) 4.64 percent. As of January 1, 2013, the interest crediting rate was fixed at 4.64 percent. But your ultimate benefit payable from the plan will never be less than your account balance on December 31, 2012, grown with interest credits only that are calculated using the greater of (a) 4.64 percent or (b) the average monthly 10-year U.S. Treasury note rate determined as described above.
CALCULATING YOUR PERSONAL PENSION ACCOUNT VALUE

Here's an example of how a Personal Pension Account value is calculated:

- Age at the end of the quarter — 40
- Years of points credited service at the end of the quarter — 11
- Age + service points — 51
- Eligible pay earned during the quarter — $8,750
- Pay credit — 2.5 percent
- Interest credit — 4.64 percent, which is a daily rate of 0.01242699 percent.
- Personal Pension Account balance at the start of the quarter — $440.78

<table>
<thead>
<tr>
<th>Pay Credit Calculation</th>
<th>Times</th>
<th>Pay credit percentage</th>
<th>Equals</th>
<th>Your quarterly pay credits added to your Personal Pension Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your quarterly earnings</td>
<td>$8,750</td>
<td>x</td>
<td>2.5%</td>
<td>=</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interest Calculation</th>
<th>Times</th>
<th>Daily Treasury note rate</th>
<th>Times</th>
<th>Number of days in quarter</th>
<th>Equals</th>
<th>Your quarterly interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your Personal Pension Account balance at the beginning of the quarter</td>
<td>$440.78</td>
<td>x</td>
<td>0.01242699%</td>
<td>x</td>
<td>92</td>
<td>=</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Personal Pension Account Balance Calculation</th>
<th>Plus</th>
<th>Your quarterly pay credit</th>
<th>Plus</th>
<th>Your quarterly interest</th>
<th>Equals</th>
<th>Your Personal Pension Account balance at the end of the quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your Personal Pension Account balance at the beginning of the quarter</td>
<td>$440.78</td>
<td>+</td>
<td>$218.75</td>
<td>+</td>
<td>$5.04</td>
<td>=</td>
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</tbody>
</table>

Your Eligible Pay for Benefit Purposes

Your eligible pay used for calculating your pay credits is referred to in the plan as your "certified earnings." Certified earnings are defined in the "Terms to Know" section.
Points Credited Service for Benefit Purposes

“Points credited service” is used to determine the actual benefit a participant is eligible to receive under the Personal Pension Account. In determining your pay credits, you receive points credited service for all your service beginning in 2003 — regardless of the number of hours you work. If you had service prior to 2003, your points credited service includes the “credited service” that you had on December 31, 2002 determined under the Traditional Plan rules.

For participants with service at companies acquired by Target (target.direct, formerly known as Rivertown Trading Company; Ayr-Way; TSS, formerly known as The Associated Merchandising Corporation (AMC); Rowley-Schlimgen; the stores of Chicago-based Marshall Field’s, now known as Macy’s; Walsh Bros. Inc.; and U.S. Business Interiors), only post-acquisition service will be used in determining points credited service under the Personal Pension Account.

Breaks in Service

For purposes of points credited service, a break in service prior to January 1, 2020 starts on the first day of the month following the date your employment terminated, or if earlier, the date you have been absent from work for 12 months for some other reason (such as being on a leave of absence). The break ends on the first day of the month in which you returned to work.

In addition, if you were not vested in any benefit under the plan when the break began and you were rehired prior to January 1, 2020, you may have lost your prior points credited service when you returned, in two situations:

- You terminated employment before you were eligible to participate in the plan and you were not re-employed within the 12-calendar-month period following the termination.
- You terminated employment and the break was 60 or more months long, and the break was longer than your service before the break.

If your points credited service includes service prior to 2003 that was “credited service” under the Traditional Plan, the rules on page 3 are used to determine if a break in service has caused you to lose credit for service before 2003.

WHEN YOU MAY RECEIVE YOUR BENEFIT UNDER THE PERSONAL PENSION ACCOUNT

You may take your vested Personal Pension Account benefit when you reach normal retirement age (65), or when you leave Target Corporation and its affiliates. You may also leave it in the plan until a later date.

Here is a summary of your options:

1) Take your vested benefit when you leave Target and its affiliates.

   As long as you are 100 percent vested, you may take your benefit when you leave employment with Target and its affiliates. You will be 100 percent vested after completing three years of vesting service.

   - If the balance of your account is more than $5,000, you have the following options:
     - Receive your account balance immediately as a lump sum;
     - Roll over all or part of the payment into your TGT 401(k) account, a new employer 401(k) savings plan, an IRA, a 403(b) plan, a governmental 457(b) plan or another qualified retirement plan; or
     - Receive your balance immediately as a monthly annuity.

   - If your account balance is $5,000 or less, it must be distributed as soon as reasonably possible after your employment terminates. You may either elect to receive a cash payment, or to have your account rolled over to an IRA or other retirement plan of your choosing.
If you fail to make an election, your account will be distributed as follows:

- If your account is $1,000 or less, a check will be mailed to you.
- If your account balance is between $1,000 and $5,000, your benefit will be distributed to a “Rollover IRA.” A Rollover IRA is an individual retirement account (IRA) established for your benefit with a financial institution. Once your benefit is transferred to the Rollover IRA, it is no longer part of the pension plan but subject to all of the terms and conditions of the Rollover IRA. You will receive information about your Rollover IRA from the bank that is acting as custodian after the transfer. You may also request contact information for the bank acting as custodian of your Rollover IRA by calling the Target Benefits Center at 800-828-5850.

It is your responsibility to manage the investment of your Rollover IRA. Once your benefit is moved to the Rollover IRA, it will be initially invested in a money market account. This default investment is designed to preserve principal, earn a reasonable rate of return and provide liquidity. You may elect to change the investment or move the funds to another IRA.

The custodian may charge your Rollover IRA the following fees:

- A $25 annual fee is charged if your balance falls below $1,000.
- A $25 fee is charged if you directly transfer your Rollover IRA to another IRA provider.
- You could pay an early withdrawal fee if you invest all or part of your benefit in a certificate of deposit, and you withdraw amounts before the agreed-upon period.
- You could pay fees related to the performance of requested services as described in the Rollover IRA fee schedule.

2) Take your vested benefit at normal retirement age (65) even though actively employed at Target. Additional pay credits and interest earned after your normal retirement age distribution will be paid to you annually.

3) Defer receiving your vested benefit to a later date.
You may defer receiving your vested account balance to a later date (as long as your account balance exceeds the tax code minimum for automatic cashout, which is currently $5,000), allowing it to continue to earn interest in the plan until you decide to receive it.

Unless you are still working for Target or an affiliate, if you reached age 70½ prior to 2020, you must begin receiving the value of your account by the April 1 following the year in which you reach age 70½. If you reach age 70½ after 2019, you must begin receiving the value of your account by the April 1 following the year in which you reach age 72. If this required distribution rule applies to you, you’ll be contacted and advised of your options.

Payment of Benefits

You must choose the date you want your pension payments to start. Unless you are commencing benefits while actively employed after reaching your normal retirement date, your pension start date must be after your last day of employment with Target and its affiliates.

If you meet the eligibility rules, payments are made as follows:

- Annuity payments begin as of the first of a month that is after your retirement date, and after you submit a request that payments start.
- Lump sums are generally paid as soon as administratively possible.
- In all events, the payment will not be made, or pension payouts will not start, until 30 days after your date of termination.
YOUR BENEFIT PAYMENT OPTIONS UNDER THE PERSONAL PENSION ACCOUNT

A number of benefit payment options are available. Within certain limits set by law, you may choose the method best suited to your personal situation. If you are married, you need to provide your spouse’s notarized written consent to choose a payment form other than a joint and survivor annuity with your spouse named as joint annuitant (named survivor).

Forms of Payment

Lump Sum payment
You may receive your Personal Pension Account balance as a lump sum when you leave Target and its affiliates — regardless of your age when you leave. If you are married, you must obtain notarized written consent from your spouse to elect this option. Once you receive a lump sum payment, no further pension benefits will be payable to you, your spouse or anyone else you may have designated.

Federal law requires that 20 percent of a lump sum payment be withheld for payment of federal income taxes, unless you choose to roll the payment over to your TGT 401(k) account, an IRA, or a retirement plan of another employer. In addition to federal and state income taxes, a 10 percent federal excise tax may apply if you are younger than age 59½ and do not elect a rollover. See “Tax Treatment of Your Benefit Payments Under the Personal Pension Account and Traditional Plan” for more information on tax treatment and rollover of plan benefits.

Monthly Payment Options
In addition to a lump sum payment, various monthly payment options are also available if the present value of your total plan benefit is greater than $5,000. These options provide payments over your lifetime or over the joint lifetime of you and a beneficiary. Once annuity payments start, the amount will remain unchanged during your lifetime. Payments are not adjusted for inflation. Actuarial factors are used to convert your lump sum to a monthly payment. These factors include an assumed interest rate, which changes annually as prescribed by IRS regulations. Forms of payment include a single life annuity, joint and survivor annuities, and a single life annuity with guaranteed return of principal.

1. Single Life Annuity
The Single Life Annuity pays a monthly benefit for as long as you live. Because payments do not continue to anyone else beyond your lifetime, this is the highest monthly benefit you may receive from the plan. If you are married and want to choose this form of payment, your spouse must provide notarized written consent.

2. 50 Percent, 75 Percent and 100 Percent Qualified Joint and Survivor Annuities
Under the joint and survivor options, a reduced monthly benefit is paid to you, with a provision that upon your death, a percentage of your benefit is paid to your surviving joint annuitant for his or her lifetime. This percentage may be 50 percent, 75 percent or 100 percent of your benefit amount, depending on the option you choose. The joint annuitant is the person named by you when benefits start. You may not change your joint annuitant after your benefits start, even if your named joint annuitant predeceases you.

Your joint annuitant does not need to be your spouse. However, if you are married and want to choose an option naming a person other than your spouse as joint annuitant, or if you choose any payment option other than the 50 percent, 75 percent or 100 percent joint and survivor benefit that names your spouse as joint annuitant, then you must submit your spouse’s notarized waiver of the survivor benefit. The waiver must be signed, notarized and submitted during the 90-day period immediately before the date the benefit payments begin. The waiver may also be revoked during this 90-day period. This process is called “spousal consent.”
To determine the amount of your joint and survivor payment, your Single Life Annuity monthly benefit is reduced by a percentage factor. The amount of the reduction depends on the difference in age between you and your joint annuitant and whether you choose a 50 percent, 75 percent or 100 percent joint and survivor option.

The following chart shows an estimate of the percentage of your Single Life Annuity benefit you would receive if you elect one of the three joint and survivor payment options. The chart assumes your age and your joint annuitant’s age are the same. If your joint annuitant is younger, the factor will be lower; if your joint annuitant is older, the factor will be higher. These percentages change annually based on factors prescribed by IRS regulations and changes in interest rates. The sample percentages in the chart are intended to be reasonable approximations of the actual percentages, but they are not necessarily the exact percentages that will apply for a specific year. If you are planning to retire and you need the exact percentage that applies to your situation, contact the Target Benefits Center for information.

<table>
<thead>
<tr>
<th>Your Age and Your Joint Annuitant’s Age</th>
<th>Percentage of Single Life Annuity Benefit Paid Under the 50% Joint and Survivor Option</th>
<th>Percentage of Single Life Annuity Benefit Paid Under the 75% Joint and Survivor Option</th>
<th>Percentage of Single Life Annuity Benefit Paid Under the 100% Joint and Survivor Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>65</td>
<td>92.05%</td>
<td>88.54%</td>
<td>85.28%</td>
</tr>
<tr>
<td>64</td>
<td>92.32%</td>
<td>88.90%</td>
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<td>92.57%</td>
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<tr>
<td>56</td>
<td>94.29%</td>
<td>91.67%</td>
<td>89.19%</td>
</tr>
<tr>
<td>55</td>
<td>94.51%</td>
<td>91.99%</td>
<td>89.60%</td>
</tr>
</tbody>
</table>

Note: The above chart is for illustrative purposes only. Actual percentages will change based on the actual age of your joint annuitant, actuarial factors prescribed by IRS regulations, changes in interest rates and modifications of the plan from time to time.

Please note that federal regulations require a plan participant’s benefits be paid in such a manner that the majority of the benefit is paid to the participant and not to a survivor. Therefore, the age differences between the participant and a non-spouse joint annuitant are limited, as shown in the following table. **No age difference restrictions apply if the joint annuitant is your spouse.**

<table>
<thead>
<tr>
<th>Joint and Survivor Annuity Form</th>
<th>Maximum Allowable Age Difference between Participant and Non-Spouse Joint Annuitant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint and 100% Survivor</td>
<td>19 years</td>
</tr>
<tr>
<td>Joint and 75% Survivor</td>
<td>10 years</td>
</tr>
<tr>
<td>Joint and 50% Survivor</td>
<td>No limit</td>
</tr>
</tbody>
</table>
3. Single Life Annuity with Guaranteed Return of Principal
This option provides you with a reduced monthly benefit payable until death. If you die before you have received total monthly payments equal to the balance of your Personal Pension Account, your beneficiary will receive a lump sum payment equal to the difference between your Personal Pension Account balance at the time that payments began and the total amount of monthly payments you received.

<table>
<thead>
<tr>
<th>Your Age</th>
<th>Percentage of Single Life Annuity Benefit Paid Under the Guaranteed Return of Principal Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>65</td>
<td>91.05%</td>
</tr>
<tr>
<td>64</td>
<td>91.65%</td>
</tr>
<tr>
<td>63</td>
<td>92.22%</td>
</tr>
<tr>
<td>62</td>
<td>92.77%</td>
</tr>
<tr>
<td>61</td>
<td>93.30%</td>
</tr>
<tr>
<td>60</td>
<td>93.81%</td>
</tr>
<tr>
<td>59</td>
<td>94.30%</td>
</tr>
<tr>
<td>58</td>
<td>94.76%</td>
</tr>
<tr>
<td>57</td>
<td>95.19%</td>
</tr>
<tr>
<td>56</td>
<td>95.60%</td>
</tr>
<tr>
<td>55</td>
<td>95.99%</td>
</tr>
</tbody>
</table>

Note: The above chart is for illustrative purposes only. Actual percentages will change based on actuarial factors prescribed by IRS regulations, changes in interest rates and modifications of the plan from time to time.

Example
If you are age 65 and choose the Guaranteed Return of Principal option, you would receive 91.05 percent of the Single Life Annuity benefit.

How will my previous Traditional Plan benefit be paid?
You will make separate elections for Traditional Plan and Personal Pension Account benefits, according to the optional forms available for each benefit under the plan. For more information, see the section of this booklet titled “Your Benefit Payment Options Under the Traditional Plan.”

CHOOSEING A PAYMENT OPTION UNDER THE PERSONAL PENSION ACCOUNT IF YOU ARE MARRIED

The following information summarizes issues that may affect your payment option if you are married.

When Spousal Consent Is Required
The need for spousal consent varies depending on certain circumstances:

- Spousal consent is required unless you choose one of the three joint and survivor annuity options with your spouse as your joint annuitant.

- You must provide spousal consent if you choose one of the lump sum, Single Life Annuity or Single Life Annuity with Guaranteed Return of Principal forms of payment, or if you choose someone other than your spouse as your joint annuitant.
HOW TO BEGIN PAYMENT OF YOUR BENEFIT UNDER THE PERSONAL PENSION ACCOUNT

Payment of your benefit normally begins after required forms and documents are processed.

Procedure for Retirees (Age 55 and Older with Three or More Years of Vesting Service)

- Work with your manager to determine your retirement date.
- Call the Target Benefits Center at 800-828-5850 at least 45 to 90 days before your retirement date. A benefits representative will answer your questions and help you set a benefits start date. You will receive an information packet about your payment options, including administrative forms and instructions regarding what you need to do to start receiving payments. Alternatively, you may start your pension benefit payments by logging on to www.targetpayandbenefits.com 45 to 90 days before your retirement date. Follow this path:
  Savings & Retirement tile > Pension > Start Your Pension Benefit.
- Inform the human resources representative at your work location of your intended retirement.

Procedure for Terminating Participants Not Qualifying for Retiree Status

Your termination date will be sent to the Target Benefits Center by payroll. If you are 100 percent vested in your Personal Pension Account, a packet about your account payment options will be mailed to your home address approximately 45 days after your date of termination.

Circumstances in Which Benefits Will Not Be Paid under the Personal Pension Account

Under certain circumstances, pension plan benefits may not be paid. Generally, benefits may not be paid:

- If you leave Target and its affiliates prior to the time you are vested; or
- If you or your beneficiary fail to make a timely appeal of a denied claim.

WHAT HAPPENS TO THE PENSION BENEFIT YOU EARNED UNDER THE TRADITIONAL PLAN?

If you moved to the Personal Pension Account, the Traditional Plan benefit you had already earned was “frozen.” It will still be payable to you when your employment with Target and its affiliates terminates, provided you have satisfied the vesting requirements. Alternatively, you may choose to begin the Traditional Plan benefit at your normal retirement date even if you are actively employed, provided you have satisfied the vesting requirements. This portion of your benefit will continue to fall under the rules for the Traditional Plan.

SURVIVOR BENEFITS UNDER THE PERSONAL PENSION ACCOUNT

If you die before starting distribution of your Personal Pension Account, your beneficiary (including non-spouse beneficiaries) will receive the full value of your Personal Pension Account.

If you are an active participant, you become immediately vested in the Personal Pension Account upon death. Therefore, your beneficiary is eligible for a benefit if your death occurred before the commencement date of your first pension payment. Benefit payments to your surviving spouse or designated beneficiary are payable following the later of:

- 30 days after the date of your death; or
- The date the appropriate documentation is provided to Target Benefits Center.
If you reached age 70½ prior to 2020 and die after 2019, annuity benefits to your surviving spouse must begin on or prior to the December 31 of the year after the year in which you die. If you reached age 70½ after 2019 and die after 2019 but before reaching age 72, your surviving spouse, if eligible for an annuity or lump sum, can elect to defer payment until the December 31 of the year that you would have reached age 72. If you die after age 72, annuity benefits to your surviving spouse must begin on or prior to the December 31 of the year after the year in which you die.

If your beneficiary is not your spouse, your Personal Pension Account balance will be automatically paid to your beneficiary as a lump sum distribution approximately 90 days following your death (unless your beneficiary elects to receive a distribution sooner).

**Spousal Consent for Beneficiary Designation**

If you are married, you are subject to some special rules. In general, your spouse must be the beneficiary of the total value of your Personal Pension Account. If you wish to designate someone else (including a trust for your spouse) as a beneficiary, you may do so, provided you are at least age 35 or have terminated employment. However, your spouse must provide notarized consent.

If you are under age 35, married and actively employed with Target or an affiliate, you may also designate a beneficiary other than your spouse, provided your spouse provides notarized consent. In this case, however, your designation will expire on January 1 of the year in which you reach age 35, and your spouse will become your beneficiary again. If you want to continue to have a different beneficiary, you must file a new beneficiary designation with notarized consent from your spouse.

| If I chose to join the Personal Pension Account, how is my previous Traditional Plan benefit affected? |
| If you are single when you die, your beneficiary is not entitled to any Traditional Plan benefits. However, your beneficiary is entitled to the Personal Pension Account benefit immediately. |
| If you are married when you die, your spouse will receive both the Traditional Plan benefit (provided you were vested in that benefit) and the Personal Pension Account benefit (unless you named a different beneficiary for this benefit and your spouse consented to that designation). The spousal beneficiary will continue to wait until your earliest commencement date to start receiving the Traditional Plan benefit, but he or she can choose to take the Personal Pension Account benefit immediately. |
| The portion of your benefit earned under the Traditional Plan as of December 31, 2002 will be paid following the Traditional Plan rules. You may choose different beneficiaries for your Traditional Plan and Personal Pension Account benefits. |
traditional plan

The Traditional Plan is a defined benefit pension plan that is designed to provide a lifetime annuity, paid monthly, in an amount determined by a formula.

HOW THE TRADITIONAL PLAN WORKS

The formula used to calculate the amount of your benefit is based on your credited service and your final average pay.

Payment of your pension benefit will normally begin after you terminate employment with Target and its affiliates and reach age 65, but it may also begin as early as age 55 if you satisfy certain requirements. In most cases, your “normal retirement date” is the last day of the month in which you reach your 65th birthday.

You will be entitled to receive a pension benefit from the Traditional Plan only if you are vested. You will be 100 percent vested if you have three years of vesting service.

CREDITED SERVICE FOR BENEFIT PURPOSES

For benefit purposes, you receive one year of credited service for each calendar year (or portion of each calendar year) in which you complete 1,000 or more hours of service.

During the first and last years of employment, you may receive credit for the number of months worked if you work at the rate of 1,000 hours per year. If you receive one year of credited service for your first calendar year of employment because you worked 1,000 or more hours, then the months of credited service granted for your last year of employment will be equal to the total months you worked in the first and last years, minus the 12 months already credited for your first year, but never less than zero.

If you receive one year of credited service for your last calendar year of employment because you worked 1,000 or more hours, then the months of credited service granted for your first year of employment will be equal to the total months you worked in the first and last years, minus the 12 months already credited for your last year, but never less than zero. When used to calculate your benefit amount, credited service is counted in full years and a fraction of a year.

If you were a participant in the plan before February 1, 1976, your years of continuous credited service starting with your latest date of regular employment are preserved without change and are calculated according to plan provisions in effect before February 1, 1976.

If you were ineligible to participate in the plan before February 1, 1976 because you were a part-time participant normally scheduled to work less than 24 hours per week, only your credited service starting February 1, 1976 counts for vesting and benefit purposes.

Example

You were hired on July 1, 2001. You elected the Traditional Plan during the pension choice window and you worked an average of 24 hours a week until September 30, 2020. You will receive credited service as shown below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Hours Worked</th>
<th>Years of Credited Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>624 (6 months)</td>
<td>0.50</td>
</tr>
<tr>
<td>2002 – 2019</td>
<td>1,248 per year</td>
<td>18.00</td>
</tr>
<tr>
<td>2020</td>
<td>936 (9 months)</td>
<td>0.75</td>
</tr>
<tr>
<td>Total Credited Service</td>
<td>19.25</td>
<td></td>
</tr>
</tbody>
</table>

Note that because you were working at the rate of 1,000 hours per year during your first and last years of employment, you received .50 of a year credit for 2001 and .75 of a year credit for 2020, even though you worked less than 1,000 hours in each of those years.
HOW FINAL AVERAGE PAY IS DETERMINED

Since your final average pay is an important part of calculating your pension plan benefit, this section explains how it is determined.

Your “final average pay” is the average of your five highest certified earnings calendar years of credited service out of your 10 most recent calendar years of credited service. No year with less than 1,000 hours will be used to calculate final average pay. Certified earnings include your regular pay, plus additional compensation you may receive such as overtime, paid bonuses and commissions. Workers’ Compensation, long-term disability, deferred compensation and non-company-paid short-term disability payments are not included in your certified earnings for the pension plan. See the “Terms to Know” section for more examples of certified earnings.

Federal law limits the maximum pay that may be considered. The annual limit as of January 1, 2020 is $285,000. This limit is indexed by federal law to reflect cost-of-living increases.

If you are like most people, your five highest years of earnings will likely be the last five years you work for Target or another participating employer. It may include your final year of employment if it is a year of credited service (a year with over 1,000 hours), even if it is not a complete calendar year. By using your five-year final average pay, the plan relates your benefit to your pay at the time it is likely to be the highest.

Here is an example of how final average pay is determined:

<table>
<thead>
<tr>
<th>Steps</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td>Review the last 10 credited calendar years of pay.</td>
</tr>
<tr>
<td></td>
<td>A participant retired on December 31, 2019 at age 65 with 27 years of credited service. Her certified earnings history over the past 10 years looked like this:</td>
</tr>
<tr>
<td></td>
<td>2010                     $24,000</td>
</tr>
<tr>
<td></td>
<td>2011                     $24,500</td>
</tr>
<tr>
<td></td>
<td>2012                     $25,000</td>
</tr>
<tr>
<td></td>
<td>2013                     $25,500</td>
</tr>
<tr>
<td></td>
<td>2014                     $26,000</td>
</tr>
<tr>
<td></td>
<td>2015                     $26,500</td>
</tr>
<tr>
<td></td>
<td>2016                     $27,000</td>
</tr>
<tr>
<td></td>
<td>2017                     $27,500</td>
</tr>
<tr>
<td></td>
<td>2018                     $28,000</td>
</tr>
<tr>
<td></td>
<td>2019                     $28,500</td>
</tr>
<tr>
<td>Step 2</td>
<td>Select the five credited years of highest pay.</td>
</tr>
<tr>
<td></td>
<td>In this example, the participant’s five highest certified earnings years were 2015 through 2019.</td>
</tr>
<tr>
<td></td>
<td>2015                     $26,500</td>
</tr>
<tr>
<td></td>
<td>2016                     $27,000</td>
</tr>
<tr>
<td></td>
<td>2017                     $27,500</td>
</tr>
<tr>
<td></td>
<td>2018                     $28,000</td>
</tr>
<tr>
<td></td>
<td>2019                     $28,500</td>
</tr>
<tr>
<td>Step 3</td>
<td>Calculate the five-year average. (Total the five years of earnings and divide by five.)</td>
</tr>
<tr>
<td></td>
<td>In this example, the average of the five highest certified earnings years is $27,500 ($137,500 divided by 5 equals $27,500).</td>
</tr>
</tbody>
</table>
TRADITIONAL PLAN OFFERS FIVE BENEFIT OPTIONS

You likely will not work for the same company for exactly 30 years and then retire on your 65th birthday. You may retire early, or you may work past age 80. The Traditional Plan offers varied benefit options to account for this.

In general, the plan provides five types of benefit options to vested participants (note that for most participants, “normal retirement age” is the date a person reaches age 65; however, it may be later — see the “Terms to Know” section for definition of normal retirement age):

- Normal pension benefit at normal retirement age. You may start receiving this benefit even if you are still actively employed by Target or an affiliate.
- Late pension benefit after normal retirement age.
- Early pension benefit between age 55 and normal retirement age.
- Deferred, vested benefit if you leave Target and its affiliates before age 55.
- Surviving spouse’s benefit if you die.

The table below describes how the normal retirement benefit is calculated and how this benefit is adjusted for the plan’s other benefit options.

How the Normal Pension Benefit Is Calculated

Your normal pension benefit is the highest benefit calculated under the following formulas:

**Current formula**

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Applies to all participants:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.8% x final average pay x credited service (up to 25 years)</td>
</tr>
<tr>
<td></td>
<td>PLUS</td>
</tr>
<tr>
<td>Step 2</td>
<td>Applies only if final average pay is greater than the “compensation breakpoint” ($129,000 in 2020)¹:</td>
</tr>
<tr>
<td></td>
<td>.5% x final average pay in excess of the compensation breakpoint x credited service (up to 25 years)</td>
</tr>
<tr>
<td></td>
<td>PLUS</td>
</tr>
<tr>
<td>Step 3</td>
<td>Applies only if credited service is more than 25 years:</td>
</tr>
<tr>
<td></td>
<td>.25% x final average pay x credited service greater than 25 years</td>
</tr>
<tr>
<td></td>
<td>EQUALS</td>
</tr>
<tr>
<td></td>
<td><strong>Annual Traditional Plan Benefit Payable for Life at Age 65</strong>²</td>
</tr>
<tr>
<td></td>
<td>(or at normal retirement age, if later)</td>
</tr>
</tbody>
</table>

¹This is a factor used in the Traditional Plan benefit formula. It is adjusted to equal 150 percent of “covered compensation” as determined by the Social Security Administration, rounded down to the nearest $1,000. “Covered compensation” is the average of the Social Security taxable wage bases for the last 35 calendar years. The compensation breakpoint is $129,000 for 2020. This number is adjusted annually. This step exists to partially compensate for the fact that pay over the Social Security taxable wage bases is not included in Social Security benefit calculations.

²Payable on the first of the month after normal retirement age, which — for most participants — is the last day of the month in which you reach age 65, under the Single Life Annuity payment option. Other payment options are also available, which are described in “Your Benefit Payment Options Under the Traditional Plan.”

**Minimum benefit formula**

For terminations after January 1, 2000, the minimum monthly annuity benefit for a participant is the greater of $25 or $5 times years of credited service.
Maximum benefit
The maximum annual benefit payable at normal retirement age under current tax law as of January 1, 2020 is $230,000.

Example
A participant retires at age 65. His final average pay is $38,000 and he has 27 years of credited service.

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Multiply final average pay by .8%. Then multiply this amount by years of credited service up to 25 years.</th>
<th>.008 x $38,000 x 25 = $7,600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 2</td>
<td>Multiply final average pay over the compensation breakpoint ($129,000 in 2020) by .5%. Then multiply the amount by years of credited service up to 25 years.</td>
<td>Since final average pay does not exceed the compensation breakpoint, this step does not apply in this example.</td>
</tr>
<tr>
<td>Step 3</td>
<td>Multiply final average pay by .25%. Then multiply the result by the number of years of credited service greater than 25.</td>
<td>27 years − 25 years = 2 years</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.0025 x $38,000 x 2 = $190</td>
</tr>
<tr>
<td>Step 4</td>
<td>Add the results of Steps 1, 2 and 3. The result is the total annual benefit payable at age 65 under the Single Life Annuity option. Other payment options are also available.</td>
<td>$7,600 + $0 + $190 = $7,790</td>
</tr>
<tr>
<td>Step 5</td>
<td>To determine the monthly benefit payable at age 65, divide the annual benefit by 12.</td>
<td>$7,790 ÷ 12 months = $649.17 per month</td>
</tr>
</tbody>
</table>

Your normal pension benefit is calculated at the end of each calendar year. Once the calculation’s accuracy is verified, this accrued benefit is stored for future reference. If future calculations obtain a smaller benefit, the highest prior accrued benefit is payable.

How the Late Pension Benefit Is Calculated
If your benefit starts after age 65, your benefit will be calculated in two ways, and you will receive the higher of the two benefits. The two calculations are:

- Your normal retirement age benefit, using service and earnings only to age 65, increased by an actuarial factor to reflect that you are older than age 65 when you start to receive this benefit. The actuarial increase factors applicable for benefits starting in 2020 are shown below:

<table>
<thead>
<tr>
<th>Age</th>
<th>Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>66</td>
<td>+8.39%</td>
</tr>
<tr>
<td>67</td>
<td>+17.72%</td>
</tr>
<tr>
<td>68</td>
<td>+28.13%</td>
</tr>
<tr>
<td>69</td>
<td>+39.78%</td>
</tr>
<tr>
<td>70</td>
<td>+52.87%</td>
</tr>
<tr>
<td>71</td>
<td>+67.64%</td>
</tr>
<tr>
<td>72</td>
<td>+84.37%</td>
</tr>
</tbody>
</table>

Note: The above chart is for illustrative purposes only. Actual percentages will change based on actuarial factors prescribed by IRS regulations, and modifications of the plan from time to time.

- Your “all-service” benefit, including years of credited service and earnings up to your current age.

Example
You retire at age 66 with 11 years of credited service. Your benefit at age 65 (10 years of credited service) is $100 per month. Because you are now age 66, this benefit is increased by 8.39 percent to $108.39 per month. This benefit is compared to your benefit calculated at age 66 (including service after age 65), which is $110 per month. The higher benefit of $110 per month will be paid.
If you continue to work after age 65, you may receive monthly pension benefits with no restriction on the number of hours that you work. At the end of each year in which you work 1,000 or more hours, your pension benefit will be recalculated. This calculation includes an additional year of credited service and an actuarial adjustment to offset the recalculated benefit by the value of pension payments you have already received.

If you have many years of credited service, a benefit increase resulting from an additional year of service may be small and could be offset by the actuarial value of payments you have already received from the plan. The actual benefit you are receiving would never be reduced as a result of recalculations for additional credited service.

**Example**

You commenced your pension benefit at age 65 in 2019 while actively employed and began receiving a monthly pension benefit of $212.50 per month. You work more than 1,000 hours in 2020, and your pension benefit is recalculated as of December 31, 2020. The pension formula results in a monthly benefit of $231.42, but the actuarial adjustment to reflect the payments you have already received offsets the benefit increase. Therefore, your pension benefit will not increase.

**Deferred payment beyond normal retirement date**

If you reached age 70½ prior to 2020, benefit payments must begin by April 1 following the later of: (a) the year you reach age 70½ or (b) the year you terminate employment with Target and its affiliates. If you reach age 70½ after 2019, benefit payments must begin by April 1 following the later of (a) the year you reach age 72 or (b) the year you terminate employment with Target and its affiliates. An actuarial increase will be calculated for any benefits beginning later than the normal retirement date. If you are actively employed, you are not required to begin receiving your pension benefit until you choose to apply for it, or until your employment ends.

**How the Early Pension Benefit Is Calculated**

If you leave Target and its affiliates after reaching age 55 but before age 65 with three or more years of vesting service, you may begin benefit payments. To calculate your early pension benefit, the Plan Administrator first determines your normal pension benefit using the formula outlined in “How the Normal Pension Benefit Is Calculated.”

Then, the Plan Administrator multiplies your normal pension benefit by an early start percentage since your benefits will begin earlier and you will be receiving benefits for a longer period of time. For benefit payments beginning on or after January 1, 2020, the reduction will be based on the percentages below (adjusted to reflect your age in years and whole months as of the date your benefit begins) or the actuarial equivalent benefit based on mortality and interest rate factors prescribed by federal law, whichever calculation provides the greater benefit.

<table>
<thead>
<tr>
<th>Age When Payments Begin</th>
<th>Early Start Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>64</td>
<td>93.3%</td>
</tr>
<tr>
<td>63</td>
<td>86.7%</td>
</tr>
<tr>
<td>62</td>
<td>80.0%</td>
</tr>
<tr>
<td>61</td>
<td>73.3%</td>
</tr>
<tr>
<td>60</td>
<td>66.7%</td>
</tr>
<tr>
<td>59</td>
<td>63.3%</td>
</tr>
<tr>
<td>58</td>
<td>60.0%</td>
</tr>
<tr>
<td>57</td>
<td>56.7%</td>
</tr>
<tr>
<td>56</td>
<td>53.3%</td>
</tr>
<tr>
<td>55</td>
<td>50.0%</td>
</tr>
</tbody>
</table>

**Example**

Suppose you retire at age 62 with a normal pension benefit of $2,400 a year, which is payable at age 65. If you elect to have payments begin at age 62 and the early start percentage from the chart above provides a benefit that is greater than the actuarial equivalent of your benefit at age 62, you will receive 80 percent of $2,400, or $1,920, each year. This amount will not increase when you reach age 65.
Even though you retired early, you may choose to start your pension later than age 65. Payments that start later than age 65 will be increased using factors applicable for late retirement. See “How the Late Pension Benefit Is Calculated” for specific factors.

**How the Deferred Vested Benefit Is Calculated**

If you leave Target and its affiliates before age 55, but with three or more years of vesting service, you qualify for a deferred vested benefit. This benefit is “deferred” because it may not be payable until age 55 or later. Your deferred vested benefit is calculated in two steps:

**Step 1**
Your benefit is first calculated in the same way as a normal pension benefit using your final average pay and projected credited service. “Projected credited service” is the credited service for benefit purposes you would have if you worked for Target or other participating employer until age 65.

**Step 2**
The result from Step 1 is multiplied by a fraction. This fraction is your actual credited service for benefit purposes, divided by your projected credited service.

The result of these calculations is the benefit payable starting at age 65. This amount will be further reduced if it begins at an earlier date.

**Example**
A participant leaves Target and its affiliates at age 40 with six years of credited service and final average pay of $20,000. To calculate her benefit, the Plan Administrator first determines “projected credited service,” which is the total number of years of credited service she would have had if she continued to work until age 65.

In this case, that number is 31 years (6 actual years plus 25 years remaining until age 65). This is how the participant’s benefit would be calculated:

\[
\begin{align*}
.008 \times 20,000 \times 25 &= 4,000 \\
.005 \times 0 \times 25 &= 0 \\
.0025 \times 20,000 \times 6 &= 300 \\
\text{Annual benefit had the participant worked until age 65} &= 4,300
\end{align*}
\]

Next, the annual benefit is multiplied by a fraction representing the participant’s actual credited service (6 years) divided by the total years of credited service the participant would have had if she continued to work until age 65 (31 years). This fraction is 6/31.

\[
4,300 \times \frac{6}{31} = 832
\]

**$832 is the annual amount payable at age 65.**

You may elect to begin your deferred vested benefit after age 55 and prior to age 65. The early retirement reduction, if any, will be based on your age at the pension start date.

You may elect to defer receiving a benefit until April 1 of the year following the year you reach age 72 (if you reached age 70½ after 2019). An actuarial increase will be calculated for any benefit beginning later than the normal retirement date.

If you are rehired and again leave Target and its affiliates prior to age 55, your prior accrued benefit will be recalculated using frozen credited service but reduced projected credited service. As a result, the fraction applied will change and your age 65 benefit will increase. If you leave Target and its affiliates after reaching age 55, your benefit will be calculated using the Normal Pension Benefit formula shown on page 16 taking into account frozen actual credited service.
Survivor Benefits

If you die while actively employed
If you are a married participant and have earned the right to a vested benefit from the plan, your spouse will automatically receive a surviving spouse benefit if you die while actively employed.

If, at the time of your death, you are actively employed by Target or an affiliate, your surviving spouse is eligible to receive a benefit equal to 50 percent of the pension you would have received at age 65 if you had retired the day before your death. This benefit amount is subject to the following:

- If, at the time of your death, you are age 55 or older and have 15 or more years of credited service, the benefit is not reduced in the normal manner for payments that start before age 65.
- If you are under age 55 (or are age 55 or older but have less than 15 years of credited service) at your death, the benefit is reduced both for early payment and to reflect the 50 percent joint and survivor benefit form.

The benefit is paid to your surviving spouse whether or not he or she is working. Benefit payments may begin on the first of any month following the date of death if you were age 55 or older at the time of your death. If you were under age 55 at the time of your death, payments to your surviving spouse may begin as early as the first of the month you would have reached age 55, but no later than the December 31 of the year that you would have reached age 72, provided you would have reached age 70½ after 2019. If you die after age 72, benefits to your surviving spouse must begin on or prior to the December 31 of the year after you die.

If you die after leaving Target and its affiliates, but before benefit payments begin
If you are a married participant and upon your termination have earned the right to a vested benefit from the plan, your spouse will automatically receive a surviving spouse benefit if you die after leaving Target and its affiliates, but before your benefit payments begin. This potential surviving spouse benefit is known as the Qualified Preretirement Survivor Annuity or QPSA.

This protection provides your surviving spouse a lifetime benefit equal to 50 percent of the pension amount you would have received if you had started receiving benefits the day before your death. The benefit is reduced both for early payment and to reflect the 50 percent joint and survivor benefit form. In addition, the benefit is reduced for the cost of providing surviving spouse protection after you leave Target and its affiliates. See “Important Note” below.

The benefit is paid to your surviving spouse whether or not he or she is working. Benefit payments may begin on the first of the month following the date of death if you are age 55 or older at the time of your death. If you are under age 55 at the time of your death, payments may begin as early as the first of the month after you would have reached age 55 or may be deferred to a later date. If you would have reached age 70½ after 2019, payments must begin no later than the December 31 of the year that you would have reached age 72.

Important Note: The cost of this surviving spouse benefit protection is paid for by a reduction in the ultimate benefit amount paid to you or your surviving spouse. This reduction is related both to your age and to the amount of time between the date you left Target and its affiliates and the date you commence your pension benefit or die, whichever is earlier. The following chart shows these reductions:

<table>
<thead>
<tr>
<th>Age</th>
<th>Percentage of Benefit Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>44 and younger</td>
<td>0.01% per month</td>
</tr>
<tr>
<td>45 – 54</td>
<td>0.03% per month</td>
</tr>
<tr>
<td>55 – 64</td>
<td>0.05% per month</td>
</tr>
<tr>
<td>65 and older</td>
<td>0.09% per month</td>
</tr>
</tbody>
</table>
Example
If you are married and leave Target and its affiliates at age 45, defer benefit payment until age 65 and live to begin retirement benefits, your normal retirement benefit will be reduced for 20 years of surviving spouse benefit protection as follows:

120 months x 0.03% (ages 45 – 54)  
PLUS  
120 months x 0.05% (ages 55 – 65)  
EQUALS  
A 9.6% reduction

You may choose not to have this death benefit protection. However, your spouse’s notarized consent is required if you decline.

You should promptly notify the Target Benefits Center at 800-828-5850 of a change in your marital status. For example, notification of divorce or death of your spouse will ensure that no reduction is made to your benefit for periods of time during which you do not have a spouse. If you marry, protection is automatic unless you waive it.

WHEN YOU CAN RECEIVE YOUR BENEFIT UNDER THE TRADITIONAL PLAN

If you meet the vesting requirements of the plan, you have earned a benefit from the plan.

You may decide to:

- Receive the full value of your benefit at normal retirement age;
- Receive a reduced benefit prior to normal retirement age; or
- Defer receiving your vested pension benefit to a later date (as long as the value of your total plan benefit exceeds the automatic cash-out amount, which is currently $5,000). Unless you are still working for Target or an affiliate, if you reached age 70½ after 2019, you must begin receiving your benefit by the April 1 following the year in which you reach age 72. If you reached age 70½ before 2020, you must begin receiving your benefit by the April 1 following the year in which you reach age 70½ or terminate employment, if later. If this required distribution rule applies to you, you will be contacted and advised of your options.

Payment of Benefits

You must choose the date you want your pension payments to start. This date must be after your last day of work with Target and its affiliates, unless you continue working after your normal retirement date. You may start your benefit at normal retirement age (65) or a later date even though actively employed at Target.

If you meet the eligibility rules, payments are made as follows:

- Annuity payments begin as of the first of the month after your retirement date or your requested payment start date.
- Lump sums are generally paid as soon as administratively possible. Any qualified lump sum payment made from the plan is eligible for a direct rollover to your TGT 401(k) account, a new employer 401(k) savings plan, an IRA, a 403(b) plan, a governmental 457(b) plan or another qualified retirement plan.

See “How to Begin Payment of Your Benefit Under the Traditional Plan” for information on this process.

YOUR BENEFIT PAYMENT OPTIONS UNDER THE TRADITIONAL PLAN

A number of benefit payment options are available. Within certain limits set by law, you can choose the method best suited to your personal situation. If you are married, you must provide your spouse’s notarized consent to choose a payment form other than a joint and survivor annuity with your spouse named as the joint annuitant (named survivor).
Normal Forms of Payment

Single Life Annuity
This is the normal form of payment for a participant who is single on the date benefits begin. The Single Life Annuity pays a monthly benefit for as long as you live. Because payments do not continue to anyone else beyond your lifetime, this is the highest monthly benefit you may receive from the plan. If you are married and want to choose this form of payment, your spouse must provide notarized consent.

50 Percent Qualified Joint and Survivor Annuity
This is the normal form of payment for a participant who is married on the date benefits begin. Under this option, you receive a reduced monthly benefit payable until death. Upon your death, 50 percent of the reduced monthly benefit will be payable to your surviving spouse for his or her lifetime. “Surviving spouse” for this purpose means the person to whom you were married when payments began. The 50 Percent Qualified Joint and Survivor Annuity can be waived if your spouse provides notarized consent.

Optional Forms of Payment

The following information summarizes the optional forms of payment available.

50 Percent, 75 Percent or 100 Percent Joint and Survivor Annuity
Under the joint and survivor annuity options, a reduced monthly benefit is paid to you, with a provision that upon your death, a percentage of your benefit is paid to your joint annuitant for his or her lifetime. This percentage may be 50 percent, 75 percent or 100 percent of your benefit amount, depending on the option you choose. The joint annuitant is the person named by you when benefits start. You may not change your joint annuitant after your benefits start.

Your joint annuitant does not need to be your spouse. However, if you are married and want to choose an option naming a person other than your spouse as joint annuitant, you must submit your spouse’s notarized consent. The notarized waiver must be submitted during the 90-day period immediately before the date the benefit payments begin. The waiver may also be revoked during this 90-day period. This process is called “spousal consent.”

To determine the amount of your joint and survivor payment, your Single Life Annuity monthly benefit is reduced by a percentage factor. The amount of the reduction depends on the difference in age between you and your joint annuitant and whether you choose a 50 percent, 75 percent or 100 percent joint and survivor annuity option.
The following chart shows an estimate of the percentage of your Single Life Annuity benefit you would receive if you elect one of the three joint and survivor annuity options. The chart assumes your age and your joint annuitant's age are the same. If your joint annuitant is younger, the factor will be lower; if your joint annuitant is older, the factor will be higher. These percentages change annually based on factors prescribed by IRS regulations and changes in interest rates. The sample percentages in the chart are intended to be reasonable approximations of the actual percentages, but they are not necessarily the exact percentages that will apply for a specific year. If you are planning to retire and you need the exact percentage that applies to your situation, contact the Target Benefits Center for information.

<table>
<thead>
<tr>
<th>Your Age and Your Joint Annuitant’s Age</th>
<th>Percentage of Single Life Annuity Benefit Paid Under the 50% Joint and Survivor Option</th>
<th>Percentage of Single Life Annuity Benefit Paid Under the 75% Joint and Survivor Option</th>
<th>Percentage of Single Life Annuity Benefit Paid Under the 100% Joint and Survivor Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>65</td>
<td>92.05%</td>
<td>88.54%</td>
<td>85.28%</td>
</tr>
<tr>
<td>64</td>
<td>92.32%</td>
<td>88.90%</td>
<td>85.73%</td>
</tr>
<tr>
<td>63</td>
<td>92.57%</td>
<td>89.26%</td>
<td>86.17%</td>
</tr>
<tr>
<td>62</td>
<td>92.83%</td>
<td>89.62%</td>
<td>86.62%</td>
</tr>
<tr>
<td>61</td>
<td>93.08%</td>
<td>89.97%</td>
<td>87.06%</td>
</tr>
<tr>
<td>60</td>
<td>93.34%</td>
<td>90.33%</td>
<td>87.50%</td>
</tr>
<tr>
<td>59</td>
<td>93.58%</td>
<td>90.67%</td>
<td>87.94%</td>
</tr>
<tr>
<td>58</td>
<td>93.82%</td>
<td>91.01%</td>
<td>88.36%</td>
</tr>
<tr>
<td>57</td>
<td>94.06%</td>
<td>91.34%</td>
<td>88.78%</td>
</tr>
<tr>
<td>56</td>
<td>94.29%</td>
<td>91.67%</td>
<td>89.19%</td>
</tr>
<tr>
<td>55</td>
<td>94.51%</td>
<td>91.99%</td>
<td>89.60%</td>
</tr>
</tbody>
</table>

Note: The above chart is for illustrative purposes only. Actual percentages will change based on factors prescribed by IRS regulations, changes in interest rates and modifications of the plan from time to time.

Please note that federal regulations require a participant’s benefits be paid in such a manner that the majority of the benefit is paid to the participant and not to a survivor. Therefore, the age differences between the participant and an allowable non-spouse joint annuitant are limited, as shown in the following table. **No age difference restrictions apply if the joint annuitant is your spouse.**

<table>
<thead>
<tr>
<th>Joint and Survivor Annuity Form</th>
<th>Maximum Allowable Age Difference between Participant and Non-Spouse Joint Annuitant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint and 100% Survivor</td>
<td>19 years</td>
</tr>
<tr>
<td>Joint and 75% Survivor</td>
<td>10 years</td>
</tr>
<tr>
<td>Joint and 50% Survivor</td>
<td>No limit</td>
</tr>
</tbody>
</table>

**Lifetime Income with “10-Year Certain” Guarantee**

Under this option, benefits are paid monthly to you for your lifetime, with payments guaranteed for 120 months (10 years). If you die before the guaranteed number of payments have been made to you, your designated beneficiary will receive your monthly payment for the remainder of the guaranteed period. You may change your designated beneficiary during the guaranteed period. If you die after receiving the guaranteed number of payments, benefit payments end upon your death. If you are married when your pension payments begin, your spouse must provide notarized consent.
Because of the guarantee, monthly payments are less than you would receive under the Single Life Annuity option. The amount of the reduction depends on your age at the time you begin payments. The following chart shows the amount of the reduction for ages 55 through 65. If you begin benefit payments after age 65, contact the Target Benefits Center for assistance.

<table>
<thead>
<tr>
<th>Your Age When Benefit Payments Begin</th>
<th>Percentage of Single Life Annuity Benefit Paid under the 10-Year Certain &amp; Life Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>65</td>
<td>97.24%</td>
</tr>
<tr>
<td>64</td>
<td>97.56%</td>
</tr>
<tr>
<td>63</td>
<td>97.84%</td>
</tr>
<tr>
<td>62</td>
<td>98.09%</td>
</tr>
<tr>
<td>61</td>
<td>98.33%</td>
</tr>
<tr>
<td>60</td>
<td>98.54%</td>
</tr>
<tr>
<td>59</td>
<td>98.73%</td>
</tr>
<tr>
<td>58</td>
<td>98.90%</td>
</tr>
<tr>
<td>57</td>
<td>99.04%</td>
</tr>
<tr>
<td>56</td>
<td>99.18%</td>
</tr>
<tr>
<td>55</td>
<td>99.29%</td>
</tr>
</tbody>
</table>

Note: The above chart is for illustrative purposes only. Actual percentages will change based on factors prescribed by IRS regulations, changes in interest rates and modifications of the plan from time to time.

Example
If you retire at age 65 with a monthly Single Life Annuity benefit of $100, you would receive $97.24 per month (97.24 percent of $100) under the 10-year Certain and Life payment option.

Lump Sum Payment
A lump sum represents the amount of money that, if invested today at an assumed interest rate, would provide you with your age 65 monthly benefit for your expected lifetime. If the lump sum value of the total benefit that would be payable to you in your lifetime, including your Traditional Plan benefit and any Personal Pension Account, is $5,000 or less, you will automatically receive the value of your benefit in a single lump sum payment.

If the lump sum value of your total benefit is more than $5,000, but the value of your Traditional Plan benefit does not exceed $20,000, you may choose to receive your benefit in an immediate lump sum payment or you may instead elect a Single Life Annuity or a 50 Percent Qualified Joint and Survivor Annuity, which may begin immediately or at a later date. If the value of your Traditional Plan benefit exceeds $20,000, you are not eligible for a lump sum payment of that benefit. However, you would be eligible to select one of the monthly payment options that may be paid starting at or after age 55. If you are paid a lump sum benefit, no further Traditional Plan benefits are payable. The method of calculating lump sums is prescribed by federal tax regulations. The interest rate and mortality basis of the lump sum factors is provided by the Internal Revenue Service.
Example
A participant leaves Target and its affiliates at age 40 with an age 65 monthly benefit of $75. The Plan Administrator would calculate the lump sum value of this benefit payable in 2020 as follows:

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Convert the monthly benefit to an annual amount.</th>
<th>$75 x 12 months = $900</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 2</td>
<td>Multiply the annual amount by a factor representing the participant's age at benefit commencement date. This factor is developed by the plan’s actuaries, based on specified interest rates and life expectancy assumptions. These factors change annually and can go up or down, depending on interest rate movement.</td>
<td>$900 x 5.3433 = $4,808.97</td>
</tr>
<tr>
<td>Step 3</td>
<td>Amount of lump sum payable.</td>
<td>$4,808.97</td>
</tr>
</tbody>
</table>

Federal tax law requires 20 percent of a lump sum payment be withheld for payment of your federal income taxes, unless you choose to have the payment rolled over directly to your TGT 401(k) account, a new employer 401(k) savings plan, an IRA, a 403(b) plan, a governmental 457(b) plan or another qualified retirement plan. In addition to federal and state income taxes, a 10 percent federal excise tax may apply if you are younger than age 59½ and do not elect a rollover. See “Tax Treatment of Your Benefit Payments Under the Personal Pension Account and Traditional Plan” for more information on tax treatment and rollover of plan benefits.

CHOOSING A PAYMENT OPTION UNDER THE TRADITIONAL PLAN IF YOU ARE MARRIED

The following information summarizes issues that may affect your payment option if you are married.

When Notarized Spousal Consent Is Required
The need for spousal consent varies depending on certain circumstances:

- Notarized spousal consent is required unless you choose one of the three joint and survivor annuity options with your spouse as your joint annuitant.
- You must provide notarized spousal consent if you choose the lump sum, Single Life Annuity, or certain and life annuity forms of payment, or choose someone other than your spouse as your joint annuitant.

IF YOU LEAVE BEFORE AGE 55 UNDER THE TRADITIONAL PLAN

The following information summarizes what happens to your Traditional Plan benefit if you leave Target and its affiliates before you reach age 55.

If you leave Target and its affiliates before you reach age 55:

- If the value of your total plan benefit is $5,000 or less, you automatically receive a lump sum payment.
- If the value of your total plan benefit (Personal Pension Account plus Traditional Plan benefit) is over $5,000 but the value of the Traditional Plan benefit is $20,000 or less, you may take a lump sum payment or leave it in the plan until retirement age. However, a lump sum may not be available at a later date if it is greater than $20,000.
- If the value of the Traditional Plan benefit is over $20,000, you cannot receive your Traditional Plan benefit until you reach age 55.
HOW TO BEGIN PAYMENT OF YOUR BENEFIT UNDER THE TRADITIONAL PLAN

Payment of your benefit normally begins after required forms and documents are processed.

Procedure for Participants (Age 55 and Older with Three or More Years of Vesting Service)

- Work with your manager to determine your retirement date.
- Call the Target Benefits Center at 800-828-5850 at least 45 to 90 days prior to your last day worked. A benefits representative will answer your questions and help you set a benefits start date. You will receive an information packet about your payment options, including administrative forms and instructions regarding what you need to do to start receiving payments. Alternatively, you may start your pension benefit payments by logging on to www.targetpayandbenefits.com 45 to 90 days before your retirement date. Follow this path: Savings & Retirement tile > Pension > Start Your Pension Benefit.
- Inform the human resources representative at your work location of your intended retirement.

Procedure for Terminating Participants Not Qualifying for Retiree Status

The Target Benefits Center will automatically receive information regarding your termination of employment through the payroll system. If you are 100 percent vested in your Traditional Plan benefit, a packet regarding your payment options will be mailed to your home address on file approximately 45 days after your date of termination.

CIRCUMSTANCES IN WHICH BENEFITS WILL NOT BE PAID UNDER THE TRADITIONAL PLAN

Under certain circumstances, pension plan benefits may not be paid.

Generally, benefits may not be paid:

- If you leave Target and its affiliates prior to the time you are vested.
- If you die prior to commencing pension payments with no surviving spouse.
- If you or your surviving spouse fail to make a timely appeal of a denied claim.
- If you work less than 1,000 hours during a calendar year, you would not receive credited service for that year. If you work 500 or fewer hours, you would have a break in service (see “What Is a Break in Service Under the Personal Pension Account and the Traditional Plan?”).

AMC EMPLOYEES’ PENSION PLAN

The AMC Employees’ Pension Plan was merged into the Target Corporation Pension Plan on December 31, 2000. AMC is now known as the Target Sourcing Services LLC, or TSS.

Benefits earned under the AMC Employees’ Pension Plan before January 1, 1999 and optional forms of payment of those benefits are protected by the Employee Retirement Income Security Act (ERISA). These optional forms of payment include the following: 5-year Certain and Life Annuity, Joint and 66-2/3 Percent Survivor Annuity (married participants only), and an actuarially equivalent lump sum payment with no maximum limit.
Age 65 monthly benefits are not subject to QPSA charges while payment of benefits is deferred following termination of employment. A QPSA charge is the cost of a potential surviving spouse benefit (Qualified Preretirement Survivor Annuity).

The plan benefit formula is 1.5 percent of Average Annual Compensation multiplied by Years of Service. Reduced benefits are payable starting at age 55.

Inquiries regarding AMC Employees’ Pension Plan benefits may be sent to TargetPension@Target.com.

**important pension plan details**

**PENSION PURCHASE PROGRAM**

**Additional Option at Retirement Providing Lifelong Monthly Payments**

The Target 401(k) to Pension Rollover, or “Pension Purchase Program,” provides you the opportunity to roll over money from your Target 401(k) account into the Target Pension Plan, giving you greater flexibility in how you receive your retirement income. The amount you roll over will be used to “purchase” additional monthly benefit payments from the Pension Plan. You may roll over all, or a portion, of your taxable 401(k) account. This transaction is classified as a direct rollover.

Target is offering the Pension Purchase Program to encourage participants to consider many options in their retirement planning. It also gives participants the opportunity to turn their 401(k) benefit into a lifelong stream of payments without paying insurance commissions or loads. This has been designed to be “cost neutral” to the pension plan, meaning that based on actuarial factors, the plan does not make or lose money by offering this option.

If you are a participant in the Target 401(k) with a taxable balance of at least $50,000, you are eligible for a Pension Purchase, regardless of whether you currently are a participant in the Target Pension Plan. You must no longer be employed by Target or its affiliates. Target 401(k) beneficiaries and alternate payees under a Qualified Domestic Relations Order are not eligible to participate in this program.

**Considerations for choosing a Pension Purchase:**

- It converts 401(k) funds to a lifetime monthly annuity payable from the plan — you cannot outlive your benefit.

- It saves you money since no insurance commissions or “loads” are charged. If you purchase an annuity outside of the Target Pension Plan, a portion of your purchase price includes a commission fee, thereby reducing the total annuity benefit amount.

- It provides flexibility. You can choose to roll over all or just a portion of your taxable 401(k) balance.

- You may request a Pension Purchase rollover more than once. Each rollover must be at least $50,000.

- It transfers the investment and mortality risk to the plan. This means that the amount of your monthly annuity payment is set once you have elected the Pension Purchase. As a result, you lose the potential of investing in higher-risk investments that typically provide higher returns; however, you are protected from any downturns in the market or living beyond your expected lifetime, because the plan is obligated to pay your monthly annuity payment for your lifetime.

**Rollover Process and Tax Considerations**

Prior to requesting a Pension Purchase, consider changing the investment of your 401(k) account to a fund with minimal market fluctuation.
Your payments will begin effective the first of the month following your rollover from the 401(k) to the plan. The request for rollover must be made by the 20th day of the month prior to the month benefit payments begin.

Your signed forms must be received at least 30 days prior to the date monthly benefit payments begin. Forms received later than that will be processed as soon as possible, but your first payment may be delayed and include a retroactive payment.

Only before-tax money in your 401(k) account may be rolled over into the plan.

The following amounts are not eligible for a Pension Purchase rollover:

- Regular after-tax and Roth contributions. These funds may remain in your 401(k) account.
- Required minimum distributions payable upon reaching age 72 (or age 70½ if you reached age 70½ prior to 2020).

You will not be taxed at the time of the rollover. You pay taxes on the money as it is paid to you from the plan.

Your rollover will be paid in cash. The value of any investments in the Target Corporation Common Stock Fund will not be distributed in shares of Target common stock.

**Payment Options Available**

You have the same payment options as those available under the Personal Pension Account, other than a lump sum distribution. Your rollover election is permanent. Once you choose to roll over any money from your 401(k) account to the plan, you are committed to the choice you make. The following forms of benefit are available:

- **Single Life Annuity**
  Monthly benefit payments are made for your life only. When you die, payments stop.

- **50 Percent Qualified Joint and Survivor Annuity**
  Monthly benefit payments are made to you for your lifetime. When you die, your designated joint annuitant receives 50 percent of the monthly benefit payment you were receiving for as long as he or she lives.

- **75 Percent Qualified Joint and Survivor Annuity**
  Monthly benefit payments are made to you for your lifetime. When you die, your designated joint annuitant receives 75 percent of the monthly benefit payment you were receiving for as long as he or she lives.

- **100 Percent Qualified Joint and Survivor Annuity**
  Monthly benefit payments are made to you for your lifetime. When you die, your designated joint annuitant receives 100 percent of the monthly benefit payment you were receiving for as long as he or she lives.

- **Single Life Annuity with Guaranteed Return of Principal**
  Monthly benefit payments are made to you for your lifetime. If you die before your total rollover amount is paid out to you, your beneficiary will receive a lump sum payment of your remaining rollover amount.

**Additional Payment Information**

You may select a different form of payment and a different joint annuitant for your Pension Purchase than for your regular pension benefit.

The monthly payment amount varies depending on your age (and the age of your joint annuitant, if applicable) on the date of your rollover, the amount you roll over, interest rates at the time of your rollover, and the life expectancies of you and your joint annuitant.

If you choose one of the joint and survivor annuity options and your joint annuitant dies before you do, payments stop at your death.
If you are married and obtain your spouse’s notarized consent, you may choose the Single Life Annuity or the Single Life Annuity with Guaranteed Return of Principal option, or you may choose a Qualified Joint and Survivor Annuity with a joint annuitant other than your spouse. If you do not obtain your spouse’s notarized consent, you must choose from the 50 percent, 75 percent or 100 percent Qualified Joint and Survivor Annuity options, with your spouse designated as your joint annuitant.

Please note that federal regulations require a participant’s benefits be paid in such a manner that the majority of the benefit is paid to the participant and not to a survivor. Therefore, the age differences between the participant and an allowable non-spouse joint annuitant are limited, as shown in the following table. **No age difference restrictions apply if the joint annuitant is your spouse.**

<table>
<thead>
<tr>
<th>Joint and Survivor Annuity Form</th>
<th>Maximum Allowable Age Difference between Participant and Non-Spouse Joint Annuitant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint and 100% Survivor</td>
<td>19 years</td>
</tr>
<tr>
<td>Joint and 75% Survivor</td>
<td>10 years</td>
</tr>
<tr>
<td>Joint and 50% Survivor</td>
<td>No limit</td>
</tr>
</tbody>
</table>

The table below is an estimate of the Single Life Annuity, based on a 4 percent interest rate, generated by various rollover amounts. If you select a different form of payment, the monthly amount will be less.

<table>
<thead>
<tr>
<th>Rollover Amount</th>
<th>Age at Start of Monthly Payments</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td>55</td>
<td>$248</td>
</tr>
<tr>
<td></td>
<td>62</td>
<td>$289</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>$312</td>
</tr>
<tr>
<td></td>
<td>70</td>
<td>$364</td>
</tr>
<tr>
<td>$100,000</td>
<td>55</td>
<td>$497</td>
</tr>
<tr>
<td></td>
<td>62</td>
<td>$578</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>$625</td>
</tr>
<tr>
<td></td>
<td>70</td>
<td>$727</td>
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For more information or to learn about the next step, call the Target Benefits Center at **800-828-5850**. As with all investment decisions, be sure to talk with your tax advisor, financial advisor or attorney to review your financial considerations for retirement.
TAX TREATMENT OF YOUR BENEFIT PAYMENTS UNDER THE PERSONAL PENSION ACCOUNT AND TRADITIONAL PLAN

Because of income tax implications, Target recommends that you obtain professional tax advice concerning payment of your pension plan benefit.

Benefit payments from the plan are taxable in the year you receive them. In addition to income tax withholding, payments made due to termination of employment before age 55 will generally be subject to a 10 percent penalty tax. The penalty tax may not be imposed, however, if benefit payments are:

- Deferred to age 59½.
- Taken as monthly pension payments over your lifetime.
- Made to a beneficiary because of your death.
- Made because of permanent and total disability.
- Made to an Alternate Payee under a Qualified Domestic Relations Order (QDRO).
- Rolled over to an IRA or another employer retirement plan.

Federal tax law requires 20 percent withholding on lump sum payments that are not directly transferred to an IRA or other employer retirement plan. In a direct transfer, the plan trustee issues the lump sum check to the IRA or other plan and mails it directly to your IRA provider or to you, depending on your election. No tax withholding is taken. If you chose to have the rollover check mailed directly to you, you are responsible for forwarding the check to your IRA custodian or new plan administrator. Note that you may also roll over your pension lump sum to your TGT 401(k) account.

If you decide not to roll over your lump sum distribution, you will receive a check payable to you for 80 percent of your lump sum, because 20 percent will have been withheld for payment of your federal income taxes. During the 60-day period following receipt of this check, you may still roll over your distribution if you wish. The IRS tax notice included in your initial pension benefit package provides details about how to do this.

CLAIM DENIAL AND APPEAL INFORMATION FOR THE PERSONAL PENSION ACCOUNT AND TRADITIONAL PLAN

The following information explains how to file a claim and how to appeal a denied claim.

How to File a Claim

If you think your pension benefit was incorrectly administered, call the Target Benefits Center and request a claim form. Upon receipt of this form, you must complete the form and mail it to the Plan Administrator.

The Sr. Vice President, Pay & Benefits is the Plan Administrator for purposes of ERISA. The Plan Administrator or its designees control and manage the operation and administration of the plan and make all decisions and determinations. In carrying out its plan responsibilities, the Plan Administrator has discretionary authority to interpret the terms of the plan.

The Plan Administrator will review your claim and surrounding facts and respond to you within 90 days after receiving your claim form. If the Plan Administrator cannot make a decision on your claim within 90 days, you will be given a notice extending the period (not more than 90 additional days).
If Your Claim Is Denied

The Plan Administrator will deny your claim if it is determined that your benefit was properly determined and administered under the provisions of the plan. You will be provided a written notice of denial or approval of the claim. The notice will include a specific reason for the denial, reference to the plan provisions on which the denial is based and information on the claims appeal procedure.

If you do not receive a written response to your claim within 90 days (or 180 days if notice of extension is given) of your claim submission, you may consider the claim denied, and you can appeal.

How to Appeal a Claim

You or your authorized representative may request a review of the denied claim within 60 days after receiving the denial notice. The appeal must be made in writing and directed to:

Target Corporation
Pension Plan Administration, CC-1712
33 South 6th St.
Minneapolis, MN 55402

You or your representative may also review pertinent plan documents and submit issues and comments.

You will be advised in writing within 60 days from the date your appeal is received as to the decision of the Plan Administrator and the reasons for that decision. Under special circumstances, this period may be extended to 120 days.

Upon completion of the appeal process, you have the right to bring suit in a court of competent jurisdiction, provided all of the following restrictions are met:

- You have not executed a release;
- You meet all deadlines for submitting claims and appeals for the plan and completely exhaust the plan’s claims and appeals procedures;
- You commence suit within two years from the earlier of (a) the date your claim is denied, or (b) the date you knew or reasonably should have known of the facts behind your claim; and
- Your suit is commenced in the United States District Court for the District of Minnesota.

SITUATIONS AFFECTING YOUR PERSONAL PENSION ACCOUNT AND TRADITIONAL PLAN BENEFITS

The pension plan is designed to provide you with income during your retirement years, but some situations could affect plan benefits.

Summary of Situations

Several situations are summarized here:

- Other than in the case of a plan termination as described below under the “If the Personal Pension Account or Traditional Plan Changes or Ends” section, if your employment terminates permanently before you are vested, all your accrued benefits are forfeited.
- If you do not make the proper application for benefits, do not provide necessary information or do not provide your current address, your benefits could be delayed.
- If you die before pension benefits begin and are unmarried, your Personal Pension Account will be paid to your beneficiary, but no death benefit will be paid with respect to any Traditional Plan benefit.
• If there is a mistake or misstatement about eligibility of participation or service, or if the amount of payment made to a participant or beneficiary is incorrect, the Plan Administrator has authority to correct the situation. This may be done by withholding, accelerating or adjusting payments as necessary to ensure the proper payment from this plan is made, or by recovering any overpayment from the person who received it.

• If you are a highly paid participant, the law limits the annual benefits that can be distributed to you from the plan. The amount of annual compensation that may be considered in determining benefits from this plan is also limited by law. You will be notified if this affects you.

Assignment of Benefits

Your pension benefit belongs to you and may not be sold, assigned, transferred, pledged or garnisheed, except under a Qualified Domestic Relations Order or as otherwise required under applicable law.

• Certain court orders could require that part of your benefit be paid to someone else — for example, to your former spouse if you become divorced or legally separated, or to support your children. This is known as a "Qualified Domestic Relations Order" or "QDRO." A QDRO could affect benefits paid to you or your beneficiaries. As soon as you are aware of any court proceedings that may affect your pension benefit, call the Target Benefits Center and ask to be transferred to the Qualified Order Team. See the section of this booklet entitled "If You Are Getting a Divorce" for additional information.

• If you are unable to care for your own affairs, any payments due may be paid to someone who is authorized to manage your affairs. This may be a relative, a friend or a court-appointed guardian.

If the Plan Becomes “Top-Heavy”

As required by law, the plan contains alternate provisions that would go into effect if the plan becomes top-heavy. The plan would be “top-heavy” if more than 60 percent of accumulated account balances or benefits are payable to certain “key employees.” Key employees are certain officers of Target, any 1 percent owners of Target who are paid over $185,000 per year, 5 percent owners of Target and beneficiaries of these key employees. It is extremely unlikely that the plan could ever become top-heavy.

IF THE PERSONAL PENSION ACCOUNT OR TRADITIONAL PLAN CHANGES OR ENDS

Target reserves the right to suspend, amend or terminate the plan at any time. If the plan is terminated, benefits generally would be paid as described in this section, to the extent funded.

If the Plan Is Amended

Target may make modifications or amendments to the plan if appropriate or necessary. Amendments will normally not decrease your accrued benefit as of the time an amendment is adopted.

If the Plan Is Terminated

If the plan is terminated, or if there is a partial termination affecting you, you immediately will be 100 percent vested as of the date of the termination. Benefits will be paid according to law, as described in the following section. Any money left in the trust will be returned to or for the benefit of Target after all required benefit obligations have been met.

Distribution of Benefits upon Termination

Before terminating the plan, Target would be required to notify the Pension Benefit Guaranty Corporation (PBGC), a federal government agency. You would also receive notice of this termination. Once approval has been received, plan benefits would be paid in the order prescribed by law. If for any reason the funds are insufficient to pay full benefits to all participants, payments would be made as prescribed by law. Benefits for certain highly paid participants are limited when the plan terminates. If this applies to you, you will be provided with details.
Mergers, Consolidations or Transfers

If the plan is merged or consolidated with another plan, or if plan assets are transferred to another plan, your accrued benefit will be protected. Your accrued benefit under the new plan would, immediately after the change, be at least equal to the amount to which you would be entitled immediately before the merger if the plan had terminated just before the merger.

Pension Benefit Guaranty Corporation

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

The PBGC guarantee generally covers:

- Normal and early retirement benefits;
- Disability benefits if you become disabled before the plan terminates; and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates;
- Some or all 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;
- Benefits that are not vested because you have not worked long enough for Target or its affiliates; and
- Benefits for which you have not met all of the requirements at the time the plan terminates.

Even if certain of your benefits are not guaranteed, you may still 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, contact the PBGC’s Technical Assistance Division, 1200 K Street, NW, Suite 930, Washington, DC 20005-4026 or call 800-400-7242. TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 800-400-7242.

Additional information about the PBGC’s pension insurance program is available through the PBGC’s website at www.pbgc.gov.
GENERAL INFORMATION THAT APPLIES TO BOTH THE PERSONAL PENSION ACCOUNT AND TRADITIONAL PLAN

The following general information applies to both the Personal Pension Account and the Traditional Plan.

Plan Information

You may call the Target Benefits Center at 800-828-5850 or log in to www.targetpayandbenefits.com at any time for information on your pension. Please note that interest is added to accounts daily calculated on the account balance at the beginning of the quarter for which the interest is credited. The Target Benefits Center’s mailing address is:

Target Benefits Center
P.O. Box 7128
Rantoul, IL 61866-7128

How Is the Pension Plan Funded?

Employer-paid benefit
Target funds the entire cost of your pension plan benefit. Your benefit is paid by the trustee from the pension plan trust. This trust accumulates funds in two ways:

- By employer contributions; and
- By investment earnings and growth.

To ensure that sufficient funds are accumulated to pay all of the benefits of participants and beneficiaries, Target uses an independent actuarial firm to determine the amount of the annual contribution.

Who holds the money?
After the funding requirements are determined, Target directs funds to the State Street Bank and Trust Company, which is the plan trustee. The trustee has the responsibility of holding the money contributed to the plan in trust for your exclusive benefit. The trustee’s mailing address for plan purposes is:

State Street Bank and Trust Company
1 Lincoln Street
Boston, MA 02110

Who invests the money?
The selection of appropriate investments for the plan requires skillful and careful decisions of investment professionals. The Plan Investment Committee has appointed professional investment managers who direct the buying and selling of plan assets held by the trustee. These appointments may be terminated by either party at any time. The trustee also manages the investment of certain assets.

If You Are Getting a Divorce

If you are getting a divorce, your benefit may be divided by a Qualified Domestic Relations Order (QDRO). You may work with the Qualified Order Team to write, submit and obtain qualification for a domestic relations order. You may also refer your attorney to the Qualified Order Team. Visit www.qocenter.com for information about the general process and model language that you can use to create a QDRO. You may contact the center at 800-828-5850 (ask to be transferred to the Qualified Order Team). Postal mail should be addressed to the Qualified Order Center, Post Office Box 7144, Rantoul, IL 61866-7144. Note that a charge is assessed for dividing TGT 401(k) accounts, but not pension plan benefits.
**Deductible IRA Contributions**

Under current tax law, active participation in the plan may restrict your ability to make deductible contributions to an Individual Retirement Account (IRA) if your income exceeds certain limits. Once you become an active participant in the plan, you continue to be an active pension plan participant for IRA purposes until you leave Target or other participating employer. You are considered an active participant for the year in which you leave Target or other participating employer. The year after the year you leave Target or other participating employer is the first year you would no longer be an active pension plan participant for IRA contribution purposes.

**Your Duties and Responsibilities**

Marital status changes, address changes, beneficiary changes and retiree death notification need to be reported as soon as possible.

**Notification of marital status change**
Active Participants: Contact your local human resources representative as soon as possible.

Participants Who Have Left or Retired: Call the Target Benefits Center at **800-828-5850** (outside of the United States, 847-883-0433) as soon as possible.

**Notification of change of address**
Active Participants: Contact your local human resources representative as soon as possible.

Participants Who Have Left or Retired: Call the Target Benefits Center at **800-828-5850** (outside of the United States, 847-883-0433) as soon as possible.

**Notification of beneficiary change**
Active Participants: Call the Target Benefits Center at **800-828-5850** (outside of the United States, 847-883-0433) as soon as possible.

Participants Who Have Left or Retired: Call the Target Benefits Center at **800-828-5850** (outside of the United States, 847-883-0433) as soon as possible.

**Notification of retiree death**
To report a retiree death, call the Target Benefits Center at **800-828-5850** (outside of the United States, 847-883-0433) as soon as possible.

**Long-Term Disability**

You may begin pension payments or take a lump sum distribution regardless of whether you receive long-term disability payments, in accordance with plan rules, upon termination of employment.

If you receive payments from a company-sponsored long-term disability plan, your disability benefit may be reduced by the amount of your pension payment. Check with your long-term disability carrier.
terms to know

Certain terms have special meaning for the plan. To understand your benefits, you need to know how the plan defines these terms.

Below is a summary of common terms used in this pension plan SPD.

ANNUITY
A sum of money paid out in regular monthly installments for an individual’s lifetime or over the joint lives of an individual and his or her joint annuitant.

BENEFICIARY
A person, trust, estate or other entity that you name to receive all or a portion of your benefit that is payable in the event of your death. Note that the Traditional Plan generally does not pay benefits if you die prior to starting your benefit payments, except certain survivor benefits to a surviving spouse who has not waived rights to the survivor benefit. Regarding Personal Pension Account balances, if a participant should die without a named beneficiary on file, or if the beneficiary does not survive the participant, the plan provides that the participant’s beneficiary will be:

1) The participant’s spouse
2) If no surviving spouse, the participant’s estate

CERTIFIED EARNINGS
“Certified earnings” to be included in the determination of final average pay and Personal Pension Account credits include the following items paid to the participant:

- Salary;
- Hourly wages;
- Commissions;
- Overtime pay;
- Military differential pay;
- Bonus pay (in year paid);
- Amounts deferred by the participants under IRC Sections 401(k) or 125; and
- Other cash incentives.

Other elements of compensation not described above will be excluded. The excluded elements include:

- Earnings in excess of the annual limit prescribed by law. The annual limit as of January 1, 2020 is $285,000. The limit is indexed by federal law to reflect cost-of-living increases.
- Allowances or reimbursement for expenses;
- Payments or contributions to or for the benefit of the participant under any employee benefit plan;
- Deferred payments under any non-qualified deferred compensation plan;
- Merchandise discounts;
- Benefits in the form of property or the use of property;
- Severance benefits; and
- Moving-related expense reimbursements, or rent or mortgage assistance payments.
COMPENSATION BREAKPOINT
“Compensation breakpoint” is an amount equal to 150 percent of the 35-year average of the maximum compensation taxable for Social Security. This amount changes each year. In 2020, the compensation breakpoint is $129,000. The compensation breakpoint is used to calculate your benefit under the Traditional Plan formula.

CONVERSION INTEREST RATE
The IRS defines actuarial factors for converting a monthly benefit into a lump sum value and vice versa. The IRS actuarial factors include an interest rate based on the 30-year Treasury bond rate and a specific assumption for life expectancy.

CREDITED SERVICE
In general, you receive a year of “credited service” for each calendar year in which you work 1,000 or more hours at Target or an affiliate. Participants with service at target.direct, formerly known as Rivertown Trading Company; Ayr-Way; TSS, formerly known as The Associated Merchandising Corporation (AMC); Rowley-Schlimgen; the stores of Chicago-based Marshall Field’s, now known as Macy’s; Walsh Bros. Inc.; and U.S. Business Interiors will generally only have post-acquisition service used.

ELIGIBILITY SERVICE
“Eligibility service” is service required before participation in the plan. The plan measures eligibility service counting actual hours. One year of eligibility service is credited at the end of an eligibility period in which the participant had 1,000 hours of service. The plan measures eligibility service as of the first anniversary of employment by Target or an affiliate. If the eligibility service requirement is not met, the plan changes to plan year computation periods. The first plan year measured is the calendar year that begins on the January 1 within the first anniversary year.

FINAL AVERAGE PAY
“Final average pay,” the pay used in the Traditional Plan formula, is the annual average of your certified earnings for the five highest-paid calendar years out of the last 10 years of credited service.

INTEREST CREDITS
Interest credit is the amount added to your Personal Pension Account using a daily rate that is based on the greater of (1) the average 10-year Treasury note rate for the two months before the beginning of the quarter or (2) 4.64 percent. As of January 1, 2013, the interest crediting rate was fixed at 4.64 percent. But your ultimate benefit payable from the plan will never be less than your Account balance on December 31, 2012, grown with interest credits only that are calculated using the greater of (a) 4.64 percent or (b) the average monthly 10-year Treasury note rate determined as described above. Interest is posted to accounts daily.

LUMP SUM PAYMENT
A lump sum is a payment option to receive a Traditional Plan benefit that has a present value of less than $20,000 or a Personal Pension Account balance as a one-time cash amount. If you receive a lump sum payment prior to age 59½, in addition to the 20 percent automatic withholding, you will be required to pay a 10 percent excise tax along with regular income taxes, unless you roll over the payment to an IRA or other retirement plan. Certain exceptions apply to this rule — consult your tax advisor to discuss your personal circumstances.

NORMAL RETIREMENT AGE
For most participants, “normal retirement age” is the date a person reaches age 65. However, the plan defines “normal retirement age” as the later of age 65 or the earlier of:

- The third anniversary of the date the participant became eligible to participate in the plan; or
- The date the participant completes three years of vesting service.

For example, for someone hired at age 65, normal retirement age will probably be around age 68. For simplicity, this booklet just uses “age 65” because that is what applies to most people. If your normal retirement age is later than age 65, you should substitute that age for “age 65” wherever it appears in this booklet.
NORMAL RETIREMENT DATE
“Normal retirement date” is the last day of the month in which a participant reaches normal retirement age.

PARTICIPANT
Plan participants include active team members, retirees in payment status, and former team members who have not yet started pension benefits.

PAY CREDITS
A percentage of your certified earnings that is credited to your Personal Pension Account each quarter.

VESTING
“Vesting” is the process of earning the right to receive a pension benefit.

VESTING SERVICE
“Vesting service” is used to determine a participant’s eligibility to receive benefits under the plan. Vesting service is also used to determine if the vesting service a rehired participant had before his or her break in service will be reinstated following re-employment. In general, you receive a year of vesting service for each calendar year in which you have 1,000 or more hours of service. A plan participant must have a minimum of three years of vesting service to be 100 percent vested.

administrative information

ADMINISTRATIVE INFORMATION FOR BOTH THE PERSONAL PENSION ACCOUNT AND TRADITIONAL PLAN

This section provides important legal and administrative information you may need.

ERISA Statement of Rights

As a participant in the pension 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 will be entitled to:

- Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor.

- Upon written request to the Plan Administrator, obtain copies of documents governing the operation of the plan, copies of the latest annual report and the Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

- Receive a summary of the plan’s annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

- Obtain a statement of your account. This statement must be requested in writing and is not required to be given more than once every 12 months. The plan must provide the statement free of charge.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the plan. The people who operate your plan, called “fiduciaries” of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.
If your claim for a pension benefit is denied in whole or in part, you must receive written explanation of the reason for the denial. You have a right to have the Plan Administrator review and reconsider your claim. Under ERISA, there are steps you can take to enforce your ERISA rights. For instance, if you request materials from the plan 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 Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA.

Plan Administration

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<td>Target Corporation</td>
<td>Sr. Vice President, Pay &amp; Benefits</td>
<td>Target Pension Plan Administrator</td>
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<tr>
<td>33 South 6th St., CC-1712</td>
<td>Target Corporation</td>
<td>Target Corporation</td>
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All benefit appeals relating to the interpretation of the plan will be determined by the Plan Administrator. Plan investments are the responsibility of the Plan Investment Committee.

Agent for service of legal process
Don Liu, Executive Vice President and Chief Legal & Risk Officer
Target Corporation
1000 Nicollet Mall, TPS-2670
Minneapolis, MN 55403

Legal process may also be served on the Plan Trustee at the address on page 34.

Plan administration
The Plan Administrator is responsible for the day-to-day administration of the plan. The Plan Administrator controls and manages the operation and administration of the plan and makes all decisions and determinations. All benefit appeals will be determined by the Plan Administrator. In carrying out its plan responsibilities, the Plan Administrator, through its designees, will have sole and full discretionary authority, to the maximum extent permitted by the law, to interpret the terms of the plan and determine the eligibility for and amount of each participant's benefit.

Type of plan
The pension plan consists of two components — the Personal Pension Account and the Traditional Plan. The pension plan is classified as a defined benefit pension plan, and it is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code. The Personal Pension Account part of the plan is a variety of defined benefit pension plan known as a “cash balance plan.” A legal document specifies the terms of the plan.
Employer identification number
Target Corporation: 41-0215170

Plan name
Target Corporation Pension Plan

Plan number
001

Plan year
The calendar year, with December 31 as the end of the year for purposes of maintaining plan records.

Collective bargaining agreements
Currently, no participants are covered by collective bargaining. If you become covered by a union-negotiated collective bargaining agreement (CBA) in the future, your participation in the plan would depend on the terms of the negotiated CBA. You would not be eligible to participate in the plan unless, and only to the extent that, such CBA provides for coverage for you under the plan.

For more information
If you have any questions that are not answered in this booklet, call the Target Benefits Center at 800-828-5850. Outside of the United States, call 847-883-0433. Correspondence regarding the plan may be addressed to the Target Pension Plan Administrator at the following address:

Target Corporation
Pension Plan Administration
33 South 6th St., CC-1712
Minneapolis, MN 55402

Participating employers
The following employers are “participating employers.” Participants at these participating employers who entered the plan prior to the date participation in the plan was frozen are currently eligible to participate in the plan:

- Target Corporation
- Target Brands, Inc.
- Target Custom Brokers, Inc.
- Target Sourcing Services LLC (formerly AMC)
- Target Food, Inc.
- Target Enterprise, Inc.
- Target General Merchandise, Inc.