Summary Plan Description
Henry Ford Health System (HFHS)
Pension Plan

(Updated for provisions in effect on and after January 1, 2018)

YOUR PENSION PLAN SUMMARY PLAN DESCRIPTION

Henry Ford Health System (HFHS) is pleased to provide this Summary Plan Description (SPD) for the Henry Ford Health System Pension Plan ("the Pension Plan" or "the Plan"). This SPD outlines the Plan provisions as they affect Eligible Employees See *Participating Employers* in Appendix A for a list of Participating Employers.

The Pension Plan was frozen in 2010, and Participants accrue no Plan benefits other than interest after December 31, 2010. The Plan provides you with a defined benefit based on an Account Balance. When you retire, or otherwise terminate employment, you may receive your Account Balance or, if applicable, your accrued vested deferred benefit) as a single lump sum, or you may choose a monthly payment option. Your benefit will not be taxed until it is paid to you.

The Plan provisions in effect when your employment terminates govern your rights and benefits under the Plan.

Features to Help You

This booklet is a guide to your Pension Plan benefits. Please read it carefully so you fully understand your obligations and responsibilities as well as the Plan provisions.

To help you find the information you need, we have added a Benefits at a Glance section, a Glossary, and several examples that illustrate Plan concepts and provisions. All terms referenced in the Glossary are capitalized (and bold-faced when they first appear) throughout this SPD. You will also see icons that indicate special points of interest. Here's a short guide to the symbols you will come across in the text:

⚐ Alerts you to information to which you should pay particular attention.

🕮 Indicates an example, to help show you how the Plan works.

💻 Indicates a Web site to access or a phone number to call for information.

> 💻 If you have questions about this SPD, or the Plan itself, contact the HFHS Retirement Center at 1-888-649-4636 or, with your Pension Plan user ID and password, log on to the *Your Benefits Resources*™ Web site at www.YourBenefitsResources.Com/HFHS.

Special Note to any hearing impaired participants:

> Whenever you see a reference like the one above in this SPD to contact (call) the HFHS Retirement Center, please first contact your local relay service. Please have the relay service call the HFHS Retirement Center and follow the steps above to assist with communication. If the HFHS Retirement Center needs to make an outbound call to you, a Customer Service Representative from the HFHS Retirement Center will dial 711 to assist with communication.

> This booklet summarizes the Plan's major provisions, and your benefits are described as clearly as possible. However, the official documents—including the Plan and the Trust funding the Plan—remain the final authority. If there is a conflict with this booklet, the official documents will govern in all cases. In addition, HFHS reserves the right to amend, modify, reduce, or terminate the Plan. The Plan is subject to Internal Revenue Service approval, and may require changes from time to time.

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BENEFITS AT A GLANCE

Plan Provisions	Highlights	See Page
What type of plan is this?	The Pension Plan is a type of **Defined Benefit Plan** known as a **Cash Balance Plan**. Under the Plan, an **Account** is established in your name. **Principal Accruals**, based on your age, service and pay level, are added to your Account for each year prior to 2011 that you meet the annual hours requirement. Principal Accruals were frozen effective December 31, 2010. Your Account also earns **Interest Accruals** at an indexed interest rate until you receive payments. Your Plan benefit is generally equal to your **Account Balance**. Because this Plan is a Defined Benefit Plan, your Plan benefit does not fluctuate with the investment performance of the Plan's Trust Fund. In contrast, the HFHS Retirement Savings Plan ("RSP") is a **Defined Contribution Plan**. HFHS makes contributions to your RSP accounts, but there are no minimum guaranteed investment earnings. As a result, both Primary and Supplemental (post 2010) RSP Account balances can decrease.	-
Who is eligible to participate in the Plan?	Prior to January 2, 2011, **Eligible Employees** could participate in the Plan. You are an Eligible Employee if you're employed by an HFHS Participating Employer, **unless** you are: • a student/fellow whose primary association with HFHS is for educational purposes (if you're a student in a program that isn't sponsored by your employer, you're still eligible); • a House Officer, (including Medical Residents and Interns); • a collectively bargained employee (if you're a union employee, you're eligible to participate in the Plan only if it specifically says so in your collective bargaining agreement); • a leased employee OR • an independent contractor. Temporary employees were eligible to start participating in this Plan on or after January 1, 1995. Generally, an Eligible Employee must work 1,000 hours in at least one **HFHS Payroll Year** to earn a benefit under the Plan. However, on and after January 2, 2011, employees who are not Participants as of January 1, 2011 shall not become Participants and no new Participants shall be added to the Plan.	4

Plan Provisions	Highlights	See Page
How do I participate in the Plan?	If you were an **Eligible Employee** before January 2, 2011, you participated in the Plan on the January 1 or July 1 coincident with or next following the date you completed 1,000 Hours of Service. You could complete the service requirement within your first 12 months of employment or any other HFHS Payroll Year in which you completed 1,000 Hours of Service. HFHS tracks your Hours of Service and automatically entered you in the Plan when you met the participation requirements. Again, on and after January 2, 2011, employees who are not Participants as of January 1, 2011 shall not become Participants and no new Participants shall be added to the Plan.	4
When do benefits vest?	Vesting refers to ownership of your benefit. If you leave HFHS before you are vested, you will not be eligible for a benefit. You are vested in your Plan benefit once you: • complete three years of **Vesting Service** (five years of Vesting Service are required if you terminated employment before 2008), • reach age 65 as an active HFHS employee, OR • terminate employment if you become Disabled or die. You earn one year of Vesting Service for each HFHS Payroll Year in which you complete at least 1,000 **Hours of Service**.	4
How are benefits determined?	At the end of each year prior to 2011 that you work at least 1,000 hours as an Eligible Employee, a Principal Accrual (a specified percentage of your **Eligible Compensation**) is added to your Account Balance. Interest Accruals (at an interest rate specified in advance of each year) are also added to your Account Balance every year until you begin payment. Your Plan benefit is generally equal to your Account Balance. However, special Minimum, Grandfathered or Transition benefits (see pages 8-9) could increase the value of your Plan benefit.	6
When are benefits paid?	You can begin payment of your Plan benefit: • as soon as administratively possible after the date you terminate employment with HFHS if you are vested, or • after you reach age 65, even if you are still working at HFHS. If the value of your Plan benefit is $1,000 or less, your benefit will be automatically paid to you as soon as administratively possible after you leave HFHS. Otherwise, your benefit generally will not be paid until you apply for it. You may apply up to 90 days before your desired payment date. You should apply before you leave HFHS employment if you wish to begin payments shortly after you leave.	9

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<tr><th>Plan Provisions</th><th>Highlights</th><th>See Page</th></tr>
<tr><td>How are benefits paid?</td><td>If the value of your Plan benefit is $1,000 or less, it is automatically paid in a single lump sum.

If the value of your Plan benefit is more than $1,000, you may choose from a variety of annuity (monthly) payment options, or a single lump sum, depending on your age when payments begin.

If the value of your Plan benefit is more than $1,000 and you are legally Married when your benefits are scheduled to begin, your benefit will be paid as a “Joint and 50% Survivor” annuity. Your Spouse will automatically be the beneficiary unless you obtain his/her written, notarized consent to your choice of a different option or a different beneficiary. Under the Joint and 50% Survivor option, you will receive a monthly benefit for your lifetime and, after your death, your surviving spouse or designated beneficiary will receive 50% of your benefit amount for the remainder of his or her lifetime.</td><td>11</td></tr>
<tr><td>What happens if I become disabled?</td><td>If you terminate your employment because of Disability (as defined in the Glossary), you will automatically become vested in your Plan benefit regardless of your years of Vesting Service.</td><td>11</td></tr>
<tr><td>What happens if I die before receiving any benefits?</td><td>Your beneficiary (the person you designate to receive your benefit after you die) will receive the full value of your Account Balance if, when you died, you were:
• an Eligible Employee (whether or not you were vested), OR
• no longer an Eligible Employee but were vested.

You should designate a beneficiary as soon as possible after you begin participating in the Plan. If you are married, your spouse will automatically be your beneficiary unless s/he authorizes your choice of someone else.</td><td>14</td></tr>
<tr><td>What if I work part-time or contingent hours?</td><td>You must work at least 1,000 hours in an HFHS Payroll Year in order to:
• prior to January 2, 2011, become eligible to participate in the Plan (after that, no new Participants join the Plan);
• earn a year of Vesting Service and/or
• Prior to 2011, be entitled to a Principal Accrual (note that <u>for years after 2010, no further Principal Accruals are credited</u>).</td><td>4</td></tr>
</table>

ELIGIBILITY AND PARTICIPATION

Eligibility

You are an Eligible Employee (e.g., eligible to participate in the Plan) if you are employed by an HFHS Participating Employer (see Appendix A), **unless** you are:

- a student/fellow whose primary association with HFHS is for educational purposes (if you're a student in a program that isn't sponsored by your employer, you're still eligible);
- a House Officer, (including Medical Residents and Interns);
- a collectively bargained employee (if you're a union employee, you're eligible to participate in the Plan only if it specifically says so in your collective bargaining agreement);
- a leased employee OR
- an independent contractor.

Temporary employees were eligible to start participating in this Plan on or after January 1, 1995.

> ⚐ **NOTE:** References to "HFHS" in the following pages refer to all HFHS employers.

Participation

Prior to January 2, 2011, if you are an Eligible Employee, you become a **Participant** in the Plan on the January 1 or July 1 coincident with or next following the date you complete 1,000 Hours of Service, provided you are still employed on that date. You must complete the service requirement within your first 12 months of employment, or within any HFHS Payroll Year. For example, if you are hired on January 2, 2008, and are credited with 1,000 Hours of Service by mid-June of 2008, you will become a Participant in the Plan on July 1, 2008.

> ***Special Situations***
>
> Your participation may be affected differently if you are rehired after leaving HFHS or if you transfer into or out of the Plan. See pages 15-16 (*If You Are Rehired*) and 17 (*If You Transfer*) for more information.

Prior to January 2, 2011, participation is automatic once you meet the participation requirements—there is no need to complete an enrollment form. However, you should designate a beneficiary either by calling the HFHS Retirement Center Retirement Center at 1-888-649-4636 or on the *Your Benefits Resources*™ Web site at www.YourBenefitsResources.Com/HFHS as soon as possible. You will need your Pension Plan user ID and password to access your account information, including changing your beneficiary in the Plan.

On and after January 2, 2011, no employees may become Plan Participants.

VESTING

Vesting means you own, or have a right to receive a benefit. Once you are vested, you are always vested. You become vested once you:

- have at least three years of Vesting Service (five years of Vesting Service, if you terminated employment prior to 2008), or
- reach age 65, become disabled, or die while an active HFHS employee.

You will earn one year of Vesting Service for each HFHS Payroll Year in which you complete at least 1,000 Hours of Service.

> ⚐ **IMPORTANT**: As long as you are employed by HFHS, you will continue to earn Vesting Service even if you are working for an HFHS non-Participating Employer.

If you terminate employment before you are vested, you will not receive any benefits from the Plan. Note that a transfer within HFHS from an HFHS Participating Employer to an HFHS Non-Participating Employer does *not* count as a termination of HFHS employment for purposes of calculating Vesting Service.

⚐ **IMPORTANT**: Before 2008, you need five years of Vesting Service to be vested. If you terminate employment in 2008 and after, you are vested when you earn three years of Vesting Service.

🕮 ***FOR EXAMPLE . . .***

Assume you began working full time with an HFHS Participating Employer in November 2002. You didn't complete 1,000 Hours of Service in the 2002 HFHS Payroll Year, so you did not earn a year of Vesting Service for 2002.

- If you continue to work as a full-time employee, you will complete 1,000 Hours of Service in each subsequent HFHS Payroll Year and will earn five years of Vesting Service by the end of 2007. As a result, you could expect to receive benefits from the Plan if you leave HFHS any time after completing 1,000 Hours of Service in 2007 (your fifth year of vesting).
- If you were to leave HFHS before completing 1,000 Hours of Service in 2007, you would lose any benefit you had earned under the Plan because you would not be vested until you had completed 1,000 Hours of Service in 2007.

Breaks in Service

If you don't earn at least 501 Hours of Service in a Plan Year, you have a "One-Year Break in Service." If your Vesting Service is broken before you are vested, Vesting Service earned before the break will not be counted unless you:

- complete one year of Vesting Service after the break and
- have less than five consecutive one year breaks in service.

If you lose your Vesting Service due to a break in service, you will forfeit the benefit you accrued before the break.

Periods of Absence

You can earn Vesting Service during certain periods when you are absent from HFHS. For example,

- You can earn up to 501 Hours of Service for your period of absence for any period when you are not actively at work, but are being paid by HFHS (or an insurer). This includes vacation, holidays, sickness, disability, layoff, jury duty, military leave or a leave of absence.
- You can earn Vesting Service when you return from active service from the U.S. armed forces, once you are reinstated as an employee based on federal re-employment laws. See page 16 for more information.

You will not earn any additional Vesting Service during an unpaid leave of absence.

Family and Medical Leave Act

If you are absent from work due to a leave of absence under the Family and Medical Leave Act, you will be subject to the following rules:

- If you don't have at least 501 Hours of Service during the Plan Year in which you were first absent, you cannot incur a break until the following Plan Year.
- If you have at least 501 Hours of Service during the Plan Year in which you were first absent, you cannot incur a break until the second Plan Year following the year in which you are absent.

These rules apply if you are absent from work because you:

- are pregnant;
- give birth to your child;
- adopt a child, or a child is placed with you for adoption or foster care;
- care for the child immediately after it has been born or adopted;
- care for a child, spouse, or parent with a serious health condition; or
- have a serious health condition, which makes you unable to work.

CALCULATING YOUR BENEFITS

The Pension Plan is a type of defined benefit plan known as a "Cash Balance Plan." Under the Plan:

- an Account is established in your name.
- Principal Accruals based on your age and service are added to your Account each year until you retire or no longer work for a Participating Employer; provided, because the Plan was frozen in 2010, no Principal Accruals will accrue or be credited for any service after 2010.
- your Account earns Interest Accruals until you receive payments.
- depending on the date you began participation in the Plan, you may also be eligible for certain minimum, grandfathered or transition benefits.

The balance in your Account (your Account Balance) is generally equal to the lump-sum value of your benefit in the Plan at any point in time.

> 🏳 Your Account is a bookkeeping Account for record-keeping purposes only. It isn't an actual Account where Plan assets are separately allocated.

Principal Accruals

Prior to 2011, Participants' Accounts were credited with a percentage of Eligible Compensation at the end of each Plan Year in which they were both an Eligible Employee and earned at least 1,000 Hours of Service in that HFHS Payroll Year. Eligible Compensation generally means your base compensation paid by an HFHS Participating Employer. Federal law limits the amount of compensation the Plan can use to determine your contribution. In 2010, the Eligible Compensation limit was $245,000.

<u>As of December 31, 2010, the Plan was frozen and Plan Participants' Principal Accruals were fixed at that date. Participants will not be credited with any further Principal Accruals after 2010</u>.

Prior to 2011, if you were vested, you would receive a Principal Accrual in the year you left HFHS, even if you didn't earn 1,000 Hours of Service in that year. The amount of Principal Accruals you earn for any Plan Year is based on your Eligible Compensation for that Plan Year and on your age and years of Vesting Service as of December 31 of the *prior* Plan Year (through 2010).

After January 1, 2007 and prior to 2011

The amount of Principal Accruals you earn for any Plan Year after 2006 and prior to 2011 is based on your Eligible Compensation for that Plan Year and on your age and years of Vesting Service as of December 31 of the *prior* Plan Year. The **Principal Accrual Rates** for Plan Years 2007 through 2010 are as follows:

	Years of Vesting Service					
Age	**0 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 or more**
Under 30	2.50%	3.00%	3.00%	N/A	N/A	N/A
30 to 39	3.00%	3.00%	3.50%	3.50%	4.50%	4.50%
40 to 49	3.00%	3.50%	3.50%	4.50%	4.50%	5.50%
50 to 59	3.50%	3.50%	4.50%	4.50%	5.50%	5.50%
60 or more	3.50%	4.50%	4.50%	5.50%	5.50%	5.50%

From January 1, 1995 through December 31, 2006

The amount of Principal Accruals you earn was based on a system of **Points** during this period. Points are the sum of your age and your Vesting Service as of December 31 of the *prior* Plan Year. Your Points on December 31 determined the amount of Principal Accruals you were eligible for in the next Plan Year. The **Principal Accrual Rates** for this period are as follows:

If your Points total	**Your Principal Accrual Rate**
Less than 60, OR you have less than five years of Vesting Service	2.25%
60 but less than 75 and you have at least five years of Vesting Service	2.75%
75 or more and you have at least five years of Vesting Service	3.25%

For Principal Accruals credited for years prior to 1995, please refer to the SPD for the Plan as then in effect.

Interest Accruals

Your Account is credited with interest at the end of each month. Interest Accruals are determined using the rate paid on five-year United States Treasury Notes, as determined on November 30 of the prior Plan Year. Your monthly Interest Accruals will equal 1/12th of the applicable interest rate times your Account Balance on December 31 of the prior Plan Year.

For Interest Accruals credited in Plan Years after 2006, the Plan provides that the annual interest rate will not be below 3% (0.25% per month) if the five-year Treasury Note rate as of the preceding November 30 was less than 3%.

You will continue to receive Interest Accruals at the end of each month until you start receiving benefits from the Plan. This means that if you decide to keep your money in the Plan after you leave HFHS, you will continue to earn interest on your Account Balance.

📖 **For Example…**

Assume your Account Balance on December 31, 2006, is $5,000, you are 35 years and six months old, and you have 10 years of Vesting Service. This means your Principal Accrual rate for 2007 is 3.50%.

Let's also assume your Eligible Compensation for the 2007 Plan Year is $36,000 ($3,000 per month) and you have more than 1,000 Hours of Service in the 2007 Plan Year.

Finally, let's assume the interest rate paid on five-year United States Treasury Notes on November 30, 2006 was 4.45%.

During 2007, your Account Balance will increase as follows:

Account Balance as of December 31, 2006	$5,000.00
Interest Accruals in 2007 ($5,000 x 4.45%/12 = $18.54 per month)	$ 222.48
Principal Accruals in 2007 ($36,000 x 3.50%)	$1,260.00
Account Balance as of December 31, 2007	$6,482.48

No Principal Accruals were added to your Account with respect to service or compensation, if any, while you were not employed by a Participating Employer. However, your Account Balance would still be credited with Interest Accruals during such a period.

If You Participated In a Prior Pension Plan

If you participated in a pension plan (your "prior plan") of an HFHS Participating Employer (see Appendix A for more information), you may be entitled to additional retirement benefits.

Initial Account Balance

If you participated in a prior pension plan of a HFHS Participating Employer, your cash balance Account will have an opening balance equal in value to the benefit you had accrued under the prior plan terms. This will only apply if your prior plan benefit was converted into a cash balance form and is now payable under the Plan. The date your prior plan was converted to the cash balance form is known as the **Cash Balance Changeover Date**. Conversion to an opening Account Balance occurs in accordance with Plan terms.

If this applies to you, your opening balance was determined as follows:

- First, your accrued benefit under the prior plan was calculated as of the Cash Balance Changeover Date. This benefit was the monthly life annuity you would have received at age 65 if you had ended employment on your Cash Balance Changeover Date. For certain former Wyandotte Hospital employees, it was the monthly life annuity you would have received at age 60.
- Your prior plan benefit was then converted into a lump sum of equal value, based on Plan assumptions about how long you were expected to live and the rates of return that would be available. These assumptions were based on legal requirements generally applicable in calculating lump sum distributions from qualified pension plans, and also on Plan terms.

If you were not an employee on the Cash Balance Changeover Date, please see *Situations Affecting Your Benefits* on page 15 for information about whether you were entitled to an opening Account Balance.

Minimum Benefit and Grandfathered Benefit

Your **Minimum Benefit** is the monthly accrued normal retirement benefit you earned under the prior plan (if any). This Minimum Benefit is protected by law. Accordingly, when you retire from the Plan you will receive no less than the value of this benefit (reduced for early retirement, if applicable).

If you participated in the HFHS Pension Plan before 1989, or in the Cottage Hospital, Wyandotte Hospital and Medical Center (WHMC) or Associated Physicians Medical Centers (APMC) plans when they were converted to the cash balance form you may be eligible for a **Grandfathered Benefit**. The Grandfathered Benefit provides another minimum level of benefit based on the provisions of your prior plan and continued vesting service with HFHS after the Cash Balance Changeover Date. This Grandfathered Benefit was frozen as of December 31, 1994, for all Participants who were **not** at least age 50 with at least 10 years of service on that date. If the Grandfathered Benefit applies to you, you will receive information about it when you retire. If you're entitled to Minimum or Grandfathered Benefits, you will receive the largest of the following when you retire:

Monthly Annuity Payments	One-time Lump-Sum Payments
Account Balance Annuity – the monthly payment from your Account on the date your benefits start;	Account Balance Lump Sum – your Account Balance payable in a lump sum;
Grandfathered Benefit – the monthly payment based on your Grandfathered Benefit (if any); or	Grandfathered Lump Sum – the lump-sum equivalent of your Grandfathered Benefit (if any); or
Minimum Annuity – the monthly payment based on your Minimum Benefit (if any).	Minimum Lump Sum – the lump-sum equivalent of your Minimum Benefit (if any).

Transition Benefits

Certain groups of employees received what are referred to as "transition benefits" when their employers started to participate in this Plan. In some cases, the transition benefits were granted to recognize prior service with an employer that did not sponsor a pension plan, and in other cases to help smooth the transition from a previous plan. If this applies to you, additional amounts were credited to your Account Balance. (See Appendix A to determine if this applies to you.)

IMPORTANT:
For more information on whether you may be eligible for minimum, grandfathered or transition benefits, refer to Appendix A. If you have any questions or would like a Pension Plan estimate, contact the HFHS Retirement Center at 1-888-649-4636 or, with your Pension Plan user ID and password, log on to the *Your Benefits Resources*™ Web site at http://www.YourBenefitsResources.Com/HFHS.

Keeping Track of Your Account

About 45 days after each calendar year ends, you will receive a statement of the current status of your Account, including your current balance. If you believe you are a Participant, but are not receiving a printed annual statement, contact the HFHS Retirement Center at the number shown below.

You may also access your Account information by calling the HFHS Retirement Center at 888-649-4636 or through the *Your Benefits Resources*™ Web site at http://www.YourBenefitsResources.Com/HFHS. You will need your Pension Plan user ID and Password.

IMPORTANT: If your home address changes while you're actively employed, please use HR Connect or contact HFHS Employee Services at 855-874-7100 to update information. If you are vested and are no longer employed by HFHS, please contact *both* HFHS Employee Services and the HFHS Retirement Center at 1-888-649-4636 if your address changes.

WHEN YOU CAN RECEIVE BENEFITS

Benefit payments are generally not automatic; you must apply for them. Before 2007, and after February 1, 2011, you may receive your vested benefits *at any time* after you terminate employment. However, if you are:

- younger than age 55 when you receive benefits, your choice of payment options will be limited;
- age 55 or older (Early Retirement Age) when you receive benefits, you will have the full range of payment options to choose from; and
- age 65 or older (Normal Retirement Age), you may take payment of your benefit *while you are still working at HFHS. This is called an In-Service Distribution.*

Because it can take up to 90 days to process an application, you may want to apply before your actual termination date. See page 17-18 for details on how to apply.

⚐ **IMPORTANT: Special Payment Timing Rules**
During the period after 2006 and before February 1, 2011 part of your benefit earned after 2006 was generally not payable until age 55, as described below. Those restrictions do not apply on and after February 1, 2011.

Special Rule for Post-2006 Principal Accruals for the Period from January 1, 2007 through February 1, 2011: For the period from January 1, 2007 through February 1, 2011, Principal Accruals credited to your account after 2006 (and related Interest Accruals) could not be paid until you had terminated employment and reached age 55. However, the "wait to age 55" rule was waived if:

- The post-2006 Principal and Interest Accruals totaled less than $5,000,
- You died (whether before or after termination of employment) before age 55; or
- You terminated employment with HFHS due to Disability, as defined in the Glossary.

On and after February 1, 2011, Post-2006 Principal Accruals previously credited to your account (and related Interest Accruals) are no longer restricted by this special rule and are distributed at the same time as prior Principal Accruals and related Interest Accruals.

Deferring Payment After Leaving HFHS

If you are vested, the lump-sum value of your benefit is more than $1,000 and you leave HFHS for any reason (including Disability), you may elect to receive your vested benefit immediately or you can put off payment of your benefit until as late as your **Required Beginning Date**.

Your Required Beginning Date is April 1 of the calendar year following the *later* of the calendar year in which you reach age 70½, or the calendar year in which you retire from HFHS.

If you die before receiving all of your Plan benefits, your beneficiary may choose to defer payment (see page 14).

⚐ **IMPORTANT: Retiree Medical Benefits**
If you don't elect immediate payment of your Plan benefit when you retire, you will forfeit eligibility for HFHS retiree medical benefits, if any. However, unless otherwise provided in the retiree medical plan, this does **not** apply if you terminate employment due to disability, qualify for long-term disability benefits under the applicable HFHS LTD plan and choose to defer receipt of your Plan benefit.

In-Service Distributions If You Keep Working After Age 65

If you keep working after age 65 you may:

- defer payment of your benefits until you retire, or
- begin receiving benefits at any point after you reach age 65 even while you continue to work and earn additional benefits.

However, you must begin receiving your Plan benefit no later than your Required Beginning Date.

If you elect to begin receiving benefits while you continue to work, the additional benefits you earn will be distributed to you when you subsequently terminate employment and will be paid in the same way as you elected for your first distribution (in other words, if you elect a lump-sum payment of your benefit at age 65, any additional benefits you earn after age 65 will also be paid in a lump sum).

<u>Disability</u>

If you become Disabled (as defined in the Glossary) while an employee, you will become 100% vested in your Plan benefit regardless of your years of Vesting Service.

> 🏳 **IMPORTANT NOTE:** If you're currently receiving LTD benefits through HFHS or your own personal policy, you should review your LTD plan information or policy to see whether a distribution of your Plan benefit has any effect on your LTD payments.

HOW YOUR BENEFITS ARE PAID

When you leave HFHS, how and when your Account is distributed depends on your Account Balance, your age, vested status, and your marital status.

<u>Normal Forms of Payment</u>

If you're under age 55 when benefit payments begin, you may only elect the Lump Sum, Life Annuity, Joint & 50% Survivor Annuity with your spouse as beneficiary, or Joint & 75% Survivor Annuity with your spouse as beneficiary.

If you are age 55 or older, you may choose any of the options listed below. **However, if you do not elect another option, your benefit will be paid as follows:**

- If you are single when your benefits are scheduled to begin, your benefit will be paid as a Life Annuity. You will receive a monthly benefit for your lifetime; no payments will be made after your death.

- If you are legally Married when your benefits are scheduled to begin, your benefit will be paid as a Joint and 50% Survivor annuity. You will receive monthly benefits for your lifetime and, after your death, your spouse will receive a monthly benefit—equal to 50% of the benefit you were receiving—for the rest of his or her life. If the spouse to whom you are Married when you retire dies before you do, no survivor benefits will be paid when you die.

  If you select a form of payment (as described below) other than the 50% Joint & Survivor annuity option or you designate a beneficiary other than your spouse, your spouse must provide a signed, notarized form, provided by HFHS, agreeing to and acknowledging your election.

Special Rule for Small Benefit Amounts

If the lump-sum value of your vested benefit is $1,000 or less when you terminate employment, your benefit will be automatically paid to you in a lump sum. You may elect to roll over this amount (see page 13) but you cannot elect a later payment date or an alternate form of payment.

<u>Optional Forms of Payment</u>

The Plan offers the following payment options:

- **Lump Sum –** You may receive your entire benefit in a one-time, lump-sum payment, generally actuarially equivalent to your Account Balance. If you elect this option, no further benefit is payable to you or to your beneficiary.
- **Life Annuity–** A monthly benefit payable during your life with no continuing benefits after your death.

⚐ **IMPORTANT NOTE:**
If you elect an annuity that pays benefits to a survivor (either your spouse or another beneficiary), your benefit will be smaller than you would have received under the Life Annuity. This is to reflect that payments must last longer—over *two* lifetimes. The amount of the reduction depends on your age and the age of your beneficiary when your payments begin.

Due to IRS regulations, certain optional forms of payment may not be available if your designated beneficiary isn't your spouse and is significantly younger than you are.

- **Joint and 50% Survivor Annuity –** You receive a monthly benefit for your lifetime. After your death, your beneficiary will receive payments for the rest of his or her life equal to 50% of the amount you were receiving. If your beneficiary dies before you do, no survivor benefits will be paid when you die.
- **Joint and 75% Survivor Annuity –** You receive a monthly benefit for your lifetime. After your death, your beneficiary will receive payments for the rest of his or her life equal to 75% of the amount you were receiving. If your beneficiary dies before you do, no survivor benefits will be paid when you die.
- **Joint and 100% Survivor Annuity –** You receive a monthly benefit for your lifetime. After your death, your beneficiary will receive payments for the rest of his or her life equal to 100% of the amount you were receiving. If your beneficiary dies before you do, no survivor benefits will be paid when you die.
- **Joint and 66-2/3% Last Survivor Annuity**—You receive a monthly benefit while both you and your designated beneficiary remain alive. After you or your beneficiary dies, the survivor will receive a monthly payment equal to 66-2/3% of the benefit you were receiving.
- **Ten-Year Certain and Life Annuity –** You receive a monthly benefit for your lifetime. If you die before receiving 120 monthly payments (10 years of payments), your beneficiary will receive the remaining payments. If you and your beneficiary die before a total of 120 payments have been made, a lump-sum payment will be made to your last survivor's estate. If your beneficiary dies before you, and you die before receiving 120 payments, the value of any remaining payments will be made to your estate. If you die after you have received 120 monthly payments, no benefits are payable to your beneficiary.

The payment of lump sums may be restricted by law in Plan Years in which the Plan is less than 80% funded. If lump sums are restricted because the Plan is underfunded, you will be notified by the Plan Administrator.

A Word About Beneficiaries

If you elect a joint and survivor annuity as described above, you may only name <u>one</u> beneficiary and your beneficiary must be a person. If you choose to have your benefits paid as a 10-year certain and life annuity, you may name multiple beneficiaries and may name a trust or other entity as your beneficiary. For more information about beneficiaries, see page 15.

Former Kingswood Hospital Plan Participants who meet certain age and service requirements may elect to receive any of the available annuity options with an annual cost-of-living increase. The initial monthly amount with the cost of living increase will be smaller to reflect the value of the cost of living feature.

Example
Let's look at how your retirement benefit might be paid under each of the Plan payment options. In these examples, let's assume you are age 65; your spouse is the same age as you are and your Life Annuity is $500 a month.

Payment Method	***Your Monthly Retirement Payment***	***Beneficiary's Monthly Payment***
Life Annuity	$500	None
Joint & 50% Survivor Annuity	$450.05	50% of $450.05= $225.03
Joint & 75% Survivor Annuity	$428.60	75% of $428.60 = $321.45
Joint & 100% Survivor Annuity	$409.15	100% of $409.15 = $409.15
Ten Years Certain & Life Annuity (120 Payments)	$455.80	This benefit is payable for your lifetime, with payments to you and your beneficiary guaranteed for 10 years (120 payments). If you die before benefits have been paid for 120 months, your beneficiary will receive the remaining monthly payments of $455.80 each.

If you would like a retirement estimate based on your own specific information, contact the HFHS Retirement Center at 1-888-649-4636 or, with your Pension Plan user ID and password, log on to the *Your Benefits Resources*™ Web site at http://www.YourBenefitsResources.Com/HFHS.

How Benefits Are Taxed

You are taxed only when you actually receive benefits from the Plan. You are responsible for reporting any payments you receive from the Plan as taxable income on your federal, state and local income tax returns. You are also responsible for paying all applicable taxes. If you elect to receive your benefit as an annuity, you must complete a federal tax withholding election form.

The Plan Administrator must withhold for federal income taxes 20% of any lump-sum distribution paid directly to you. You can avoid this mandatory withholding by electing a direct rollover:

- to an Individual Retirement Accounts (IRA), but **not** Roth IRAs, SIMPLE IRAs, or education IRAs) or
- to a defined contribution plan of another employer plan that accepts rollovers, such as 401(k) plans, savings or thrift plans, profit-sharing plans, ESOPs, 403(a) annuity plans, 403(b) tax-sheltered annuities, or governmental employer 457 plans. For an employer plan to be eligible to receive a rollover from this Plan, that plan must specifically accept rollover contributions from a 401(a) qualified plan. Not all employer plans accept rollover contributions.

Please note that for direct rollovers, a $200 minimum applies. For partial rollovers, a $500 minimum applies.

If a lump sum payment is made directly to you before the Early Retirement Age (see "When You Can Receive Benefits") you will be subject to a 10% penalty tax, which you must pay when you file your tax return. You will receive more information on taxes and direct rollovers when you receive your distribution package.

The Plan Administrator may also be required to withhold Michigan state income tax on any distribution of your benefits paid directly to you, unless you elect otherwise. Please contact the Plan Administrator for more information on Michigan state income tax withholding requirements.

SURVIVOR BENEFITS—BEFORE BENEFITS BEGIN

If you die ***before*** you receive any benefits from the Plan and you:

- are still employed by an HFHS Participating Employer or
- have terminated employment with a vested benefit or
- have transferred to a Non-Participating Employer and have a vested benefit,

your designated beneficiary may be entitled to receive a benefit.

If none of the statements above apply to you, no survivor benefit is payable when you die.

If You're Married

If you are married when you die, your spouse will receive a survivor benefit (if any, see above) unless you have named another beneficiary, with your spouse's written, notarized consent. Your spouse may elect to receive your Account Balance (or the present value of your Minimum Benefit, if any and if greater) under the Plan either as a lump sum or an annuity, and may either receive an immediate distribution or defer payment. The deferred payment date can be no later of until the *later* of:

- December 31 of the calendar year immediately following the calendar year in which you died; or
- December 31 of the calendar year in which you would have turned age 70½.

If your spouse defers payment, your Account Balance will continue to earn Interest Accruals.

Except as explained below in "If You're Not Married or You Properly Designate a Beneficiary Other than Your Spouse With Your Spouse's Consent," if your spouse survives you but dies before the monthly payments begin—or before the lump sum is paid, as applicable—100% of the survivor benefit will be paid in a lump sum to your spouse's legal representative. If there is no legal representative, the entire lump sum will be paid to those who would be your spouse's heirs under Michigan law if your spouse had no will.

Other minimum benefits may apply.

If You're Not Married or You Properly Designate a Beneficiary Other than Your Spouse With Your Spouse's Consent

Your designated beneficiary will receive a lump-sum payment equal to your Account Balance under the Plan, payable on the first day of the month following notification to HFHS of your death. Your beneficiary may also defer payment of the lump sum until as late as December 31 of the fifth calendar year following the calendar year of your death. The lump-sum payment is in lieu of any other pre-retirement survivor benefits described in this section.

Other minimum benefits may apply.

Designating Your Beneficiary

Your beneficiary is the person or persons you name to receive payments under the Plan after your death. If you are married, federal law requires that your spouse be named as your beneficiary unless he or she provides written, notarized consent to your choice of a different beneficiary using a form provided by HFHS at the time. If you are not married, you can name anyone as your beneficiary.

You may name a secondary beneficiary, who will receive your benefit if your primary beneficiary dies first.

If You Name a Trust

You may designate a trust as your primary or secondary beneficiary, keeping in mind that a trust may receive only a lump-sum payment, not annuity payments. If you designate a trust as your beneficiary, you must provide all of the following information:

- the name of the trust (i.e., irrevocable trust, inter vivos trust, living trust, etc.);
- the name of the trust's primary beneficiary (i.e., the person(s) for whose benefit the trust has been established);
- the date of the trust agreement; and other information the Plan reasonably requests

You may change your beneficiary at any time either by calling the HFHS Retirement Center at 1-888-649-4636 or, with your Pension Plan user ID and password, on the *Your Benefits Resources*™ Web site at www.YourBenefitsResources.Com/HFHS. It's important to review and update your beneficiary designations if your personal circumstances change—for example, you get married or divorced, or your spouse or beneficiary dies. Your new beneficiary designation takes effect when the Plan Administrator receives it and will invalidate all earlier designations.

If no beneficiary designation is in effect when you die, or if your designated beneficiary (including any secondary beneficiary) does not survive you, your benefits will automatically be paid, in the following order, to:

- your spouse, if living; or
- your children—in equal shares, with the share of any deceased child being paid to his or her surviving children, in equal shares;
- your legal representative or
- if no legal representative of your estate is appointed and qualified within six months of your death, those persons who, on your date of death, would be your heirs under Michigan laws if you had no will.

If you designate your spouse as your primary beneficiary and you're later divorced, the beneficiary designation is automatically canceled as of the date of your divorce, unless otherwise provided in a qualified domestic relations order. If you desire, you can then redesignate your former spouse as your beneficiary with the consent of your current spouse, if any, as outlined above.

An electronic beneficiary designation, using any electronic medium that does not require a written, notarized consent to your choice by your spouse will be considered valid. If spousal consent is needed, the electronic designation will not be considered valid until the required, notarized, consent form is received by the recordkeeper. In all cases, the most recent beneficiary designation on record with the recordkeeper will prevail.

SURVIVOR BENEFITS—AFTER BENEFITS BEGIN

If you die ***after*** starting to receive a distribution of your Plan benefit, benefits to your beneficiary will be paid according to the form of payment you elected before your death. See pages 11–13 for more information.

SITUATIONS AFFECTING YOUR BENEFITS

If You Were Not Employed on the Applicable Cash Balance Changeover Date

There are certain situations where former employees of HFHS, Cottage Hospital, WHMC, Kingswood Hospital, APMC, Wyandotte, and Horizon Health System have accrued a vested benefit under the Plan (or a plan merged into this Plan), and who terminated employment prior to the applicable cash balance changeover date. While these Participants do not have a cash balance Account, they may elect to receive a lump sum distribution of the present value of their Plan benefit in accordance with the Plan.

If You Are Rehired

If You Are Rehired Before Beginning to Receive a Benefit

If you leave HFHS before becoming vested and are later rehired, your prior Vesting Service will be reinstated as long as you did not incur five consecutive One-Year Breaks in Service (see page 5) and you complete another year of Vesting Service. Otherwise, you will lose your prior Vesting Service.

If you return before five consecutive One-Year Breaks in Service—or if you were vested when you left and deferred payment of your benefit—you will keep your prior Account Balance, plus Interest Accruals earned during your break.

If You Are Rehired After Beginning to Receive a Benefit

If you return to work after beginning to receive a benefit from the Plan, you simply keep the lump sum you received, or continue your monthly payments. If you're rehired before 2011, you begin building a new Account Balance (through 2010). Any part of your Plan benefit still in the Plan when you are rehired because you had not reached age 55 (see page 15) will continue as part of your Account Balance.

If you were eligible for a vested benefit and are rehired as an Eligible Employee, you remain vested in your Plan benefit. You will also be fully vested in any Principal or Interest Accruals credited to your Account during your period of re-employment.

If You Are Rehired After Your Cash Balance Changeover Date

If you left HFHS before your Cash Balance Changeover Date and are rehired prior to 2011, you will start to participate in the Plan and accrue Principal and Interest Accruals starting on your date of rehire. However, all Principal Accruals ended 12/31/2010. Generally, the Vesting Service you earned under the prior plan will be reinstated if you weren't vested but were rehired before you had five consecutive One-Year Breaks in Service.

Your accrued benefit, if any, under the prior plan will be converted into an Account Balance when you're rehired if you:

- were 100% vested and had not begun to receive benefit payments; or
- weren't fully vested but were rehired before incurring five consecutive One-Year Breaks in Service.

If you started receiving a benefit from the prior plan, you simply keep the lump sum, or continue the monthly payments and begin building a new Account Balance (through 2010).

<u>If You Take Military Leave</u>

The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) gives veterans special reemployment rights. If you go on a military leave and return to work with HFHS by the USERRA-prescribed deadline, you won't incur a break in service.

During your military leave, and provided you return to work with HFHS or a Participating Employer, you will continue to be credited with Hours of Service and Eligible Compensation for your Principal Accruals and Vesting Service. In addition, you will earn interest as if you had continued to work for HFHS while you are on USERRA-covered military leave.

For More Information

If you return to work with HFHS following a military leave, contact the HFHS Retirement Center at 1-888-649-4636 to determine whether the USERRA reemployment rights apply to you. Visit HR Connect to review the USERRA policy and procedure.

<u>If You Transfer</u>

Not all HFHS employers participate in this Plan, and not all job classifications are covered by the Plan (see Appendix A, and Eligibility on page 4).

During your career with HFHS, you may transfer from an HFHS Participating Employer to an HFHS Non-Participating Employer, or vice versa. Similarly, you may change between Plan-eligible and non-Plan-eligible job classifications. If this occurs, these rules generally apply:

- Hours of Service earned with *any* HFHS employer will count for participation and Vesting Service under the Plan.
- Only pay (Eligible Compensation) earned from an HFHS Participating Employer, while in a Plan-eligible job classification, will count towards Principal Accruals in this Plan.
- You will continue to earn Interest Accruals on your Account Balance.

Also, note that a transfer within HFHS from an HFHS Participating Employer to an HFHS Non-Participating Employer does *not* count as a termination of HFHS employment. You will not be eligible to receive payments from the Plan until you terminate employment with *all* HFHS Employers (unless you are at least age 65).

Certain special transfer rules apply. See Appendix B for more information.

Situations in Which You Can Lose Benefits

You may lose (forfeit) a portion of your benefit if you terminate your employment before you are vested. Refer to the "Vesting" section for more information. In addition, your current or future Plan benefit may be lost or substantially reduced if:

- the Plan is required to pay benefits under the terms of a Qualified Domestic Relations Order (see page 25), or
- HFHS (or other sponsoring employer) reduces its contributions or decides to terminate the Plan.

APPLYING FOR DISTRIBUTION REQUEST CLAIMS AND OTHER TYPES OF CLAIMS

Whether you're applying for a distribution of your Plan Account, questioning the Plan's records about you or questioning your Plan eligibility, these actions are treated as "claims" for legal purposes. The procedures described below explain where and how to file a claim, and are designed to provide you with full and fair review of all claims.

Distribution Request Claims

You should apply for your Plan benefit at least 90 days before your planned termination or retirement date. You may also apply to receive an in-service distribution of your benefit on or after your 65th birthday (see page 10). This is called a **Distribution Request Claim**. You can apply by calling the Retirement Center at 1-888-649-4936 or, with your Pension Plan user ID and password, by using *Your Benefits Resources*™ Web site (www.YourBenefitsResources.Com/HFHS). You will need your Pension Plan user ID and Password.

Benefit payments cannot start until after you have terminated employment (or reached age 65) and applied for payment. Retirement applications take time to process. Your first payment will be made as soon as administratively possible.

After you make your Distribution Request Claim, you will receive a distribution forms package that includes:

- an explanation of the forms of payment available to you,
- your rights to waive your normal form of payment and the financial implications of making this choice and
- your spouse's rights concerning waiving the normal payment method.

In order to begin your Plan benefit, you must complete the distribution process and provide all required documentation to the HFHS Retirement Center.

Other Types of Claims

Claims that involve (a) benefit computation (i.e., benefit amount, years of vesting service, etc.) under the Plan, (b) your benefit distribution date, (c) payment to beneficiary(ies) after your death or (d) disability claims determination, must be submitted in writing to the:

> HFHS Retirement Center
> Henry Ford Health System – Pension Plan Claims
> P.O. Box 64008
> The Woodlands, TX 77387-4008

IMPORTANT:
Regardless of the type, your written claim must include:

- the name of the HFHS Plan involved;
- your name, the last four digits of your Social Security Number, your HFHS employee identification number, address, daytime telephone number and current HFHS work location (if you're an active HFHS employee);
- a description of your request for benefits (specify what you're requesting); and
- any information and/or copies of documents that you feel will be of assistance to the individuals reviewing your claim.

Additional information may be required; you will be notified if this applies to you.

When a Claim Is Treated as Filed

A Distribution Request Claim is considered filed on the date your completed paperwork is received in good order by the HFHS Retirement Center and after your termination is processed on the HFHS payroll system.

For all other claims, your claim is considered filed on:

- the date it is delivered by the U.S. mail to the applicable address listed above for the HFHS Retirement Center; or
- when delivered by national overnight courier to the HFHS Retirement Center at the address listed above.

Claims may neither be filed electronically (e-mail) nor by telephone nor by FAX. A communication regarding benefits that is not made in accordance with these procedures will not be treated as a claim under the HFHS Pension Plan.

Incomplete Claims

If any information needed to process your claim is missing, the Plan may deny the claim or may ask you for additional information. If the Plan needs additional information, the request will include a description of the information needed. The timeframe for deciding your claim begins when you file a claim, even if it is an incomplete claim. The time for consideration of your claim is **not** suspended when additional information is requested, so you should provide the necessary information as soon as possible. If the requested information is not provided within the time specified, the claim can be decided without the information, or the Plan may extend the time for deciding your claim as described below.

Claims Reviews

Except with respect to disability determinations, discussed below, any determination of benefits payable under this Plan will be made within 90 days from the date it is received. This review period may be extended for up to an additional 90 days if more time is needed to resolve your claim. You will be provided with written notice of any such extension (including the reasons for the extension and the date by which a decision is expected) within the original consideration period.

An Authorized Representative may act on your behalf with respect to a benefit claim or appeal. If you wish to appoint an Authorized Representative, you must send a signed and dated letter clearly designating the person you are appointing (with the person's address and telephone number) as your Authorized Representative to the same address where you would file your claim or appeal.

Once an Authorized Representative is appointed, the Plan will send all information, notices, etc. regarding a claim or appeal to your Authorized Representative, but you will be copied on all notices regarding decisions. *Any reference in these claims procedures to "you" is intended to include an Authorized Representative.*

Notification of Claim Determination

If your claim for benefits is approved, you will receive benefits without any specific notice that your claim was approved. You will receive written notice of any plan decision that does not completely approve your claim from the HFHS Retirement Center on behalf of the Pension Plan or by the HFHS Retirement Department. This notice, called an Adverse Benefit Determination, will indicate that your claim has been denied in whole or in part.

A claim decision is Adverse if it is:

- a denial, reduction, or termination of a benefit, or
- a failure to provide or make payment (in whole or in part) for a benefit.

The notice will:

- include a statement of the specific reason(s) for the decision;
- reference the specific plan provision(s) on which the decision is based;
- describe any additional material or information necessary to complete your claim and why such information is necessary; and
- describe Plan procedures and time limits for an appeal of the decision, your right to obtain information about those procedures and the right to sue in federal court after exhausting the plan appeal procedures.

<u>Appealing an Adverse Benefit Determination</u>

If your claim is denied in whole or in part and you have received an Adverse Benefit Determination, you may appeal the Adverse Benefit Determination and receive a full and fair review.

There are two levels of appeals available under the Plan

- An initial appeal, reviewed by the HFHS Retirement Department.
- A final appeal, reviewed by the HFHS Appeals Subcommittee.

You or your duly Authorized Representatives are permitted at all reasonable hours to review relevant documents and to receive copies of them. HFHS may make a reasonable charge for these copies. In addition, you or your Authorized Representative are permitted to attend the HFHS Appeals Subcommittee review. You will receive notification from the HFHS Retirement Department regarding the date and time of the review.

<u>Time Limit for Filing an Appeal</u>

You (or your Authorized Representative) must submit a ***written*** Appeal as outlined below within 60 calendar days of receipt of an Adverse Benefit Determination of your claim (or of an initial appeal decision). The Plan presumes you have received the Adverse Benefit Determination five days after it is put in the mail to you. Your Appeal must be *received* by the HFHS Retirement Department within this 60 day period.

Failure to comply with this important deadline will cause you to forfeit any right to any further review of an adverse decision under these procedures and may forfeit any right to any further review in a court of law.

<u>How to Appeal</u>

Your appeal must be in writing, and should include, but is not limited to, the following information:

- The name of the HFHS Plan involved.
- Your name, the last four digits of your Social Security Number, your HFHS Employee Identification Number, address, daytime telephone number and current HFHS work location (if you are an active employee of HFHS).
- A statement of the reasons you believe the Adverse Benefit Determination should not have been made (specify what you are requesting be appealed on review).
- A copy of the Adverse Benefit Determination you received.
- Any information and/or copies of documents that you feel will support your appeal of the Adverse Benefit Determination.

Your written appeal request must be sent to the HFHS Retirement Department at the following address:

Henry Ford Health System
1 Ford Place –Section 4E
Attention: Retirement Department
Pension Plan Appeals
Detroit, MI 48202-3450

Appeals may **<u>not</u>** be filed electronically (e-mail) or by telephone.

⚐ **IMPORTANT NOTE:**
Your Appeal Is Treated as Received on:

- the date it is delivered by the U.S. mail to the applicable address listed above for the HFHS Retirement Center; or
- when delivered by national overnight courier to the address listed above for the HFHS Retirement Center

Appeals may not be filed electronically (e-mail) or by telephone. A communication regarding benefits that is not made in accordance with these procedures will not be treated as an appeal under the HFHS Pension Plan.

Your appeal will be treated as received on:

- the date it is delivered by the U.S. mail to the applicable address listed above for the HFHS Retirement Department Director;

- when delivered by national overnight courier to the address listed above for the HFHS Retirement Department Director, or

- when delivered by certified U.S. mail to the applicable address listed above, the date the certified receipt is signed by an HFHS Retirement Department representative or other authorized signatory.

<u>Time to Decide Appeals</u>

Once received by the HFHS Retirement Department Director at the address listed above, your appeal will be reviewed.

The Appeals Committee will render a decision after reviewing your appeal. You and/or your Authorized Representative will receive written notification of the date and time of the Appeals Committee review. You and/or your Authorized Representative are invited to attend the appeal review. If you cannot attend the review on the scheduled date, your appeal will be reviewed without your representation.

The Appeals Committee meets each calendar quarter. The Appeals Committee shall make a decision on review of your appeal no later than the Appeals Committee quarterly meeting date that immediately follows the Plan’s receipt of a request for review unless the request for review is filed within 30 days preceding the date of such meeting. In that case, a benefit determination on review will be made no later than the date of the second meeting following the Plan’s receipt of the request for review. If special circumstances (such as the need to hold a hearing) require further extension of time, a benefit determination shall be rendered by the Appeals Committee no later than the third meeting of the Appeals Committee following the Plan’s receipt of a request for review.

Notwithstanding the foregoing, HFHS’ Retirement Department Director is delegated authority to grant an appeal in writing on or before the time the Appeals Subcommittee must meet to review an appeal.

The review will take into account all information you have submitted, whether or not this information was submitted with your claim. The review will give no deference to the original decision and will not be made by the same person who made the Adverse Benefit Determination.

If information necessary to resolve your appeal is missing, the Appeals Director or Appeals Committee may deny your appeal or may request additional information from you. If the HFHS Retirement Department Director or Appeals Committee requests additional information, the request for more information will include a description of the missing information, which you should furnish. The timeframe for deciding the appeal is not suspended when additional information is requested, so you should provide the missing necessary information as soon as possible. If the requested information is not provided within the time specified:

- your appeal can be decided without the information;
- the Plan may extend the time for deciding your appeal as described above; or
- you and the Plan may agree to an extension of time for responding to your appeal.

Notification of Appeal Determination

Written notification of the decision on an appeal shall be provided on behalf of the Plan by the HFHS Retirement Department Director or Appeals Committee. The notification will indicate whether your appeal has been approved or denied in whole or in part. If you receive an Adverse Benefit Determination Notice on your appeal, the Notice will:

- Include a specific statement of the reason(s) for the Adverse Benefit Determination;
- reference the specific Plan provision(s) on which the decision is based;
- describe any additional material or information necessary to complete the Appeal and why such information is necessary; and
- describe the right to sue in federal court after exhausting the Plan appeal procedures.

If Your Appeal is Denied

The decision of the Appeals Subcommittee is the final decision under the Plan. No further appeal rights are available to an individual under the Plan. After completing the appeal procedure, you may ask a court to review the final decision. The Plan requires that any such litigation be submitted to the United States District Court for the Eastern District of Michigan.

Disability Determinations

In some situations, the benefit payable under the Plan depends upon whether you are "disabled" and terminated from service with HFHS. In those situations, shorter timeframes apply to claims and appeals. If you are determined to be disabled under the terms of the Plan and you are still employed by HFHS, any non-vested benefits you have accrued will become vested. If you participate in the HFHS Long Term Disability Plan, the determination of disability made by the disability insurer controls for these purposes, and you do not need to request a determination of your disability from the Plan. If you do not participate in the Disability Plan, this Plan will make a determination of your disability using the same requirements for disability contained in the Long-Term Disability Plan.

If a Participant claims disability, within 45 days of receiving the claim the Appeals Committee, or its delegate, the HFHS Retirement Department Director, will provide you with a detailed written notice of its decision including, if adverse, a discussion and explanation of the decision in accordance with applicable Department of Labor regulations, and notice of entitlement to receive, on request and free of charge, reasonable access to, and copies of, relevant documents, records and information, all in a culturally and linguistically appropriate manner. This 45-day period may be extended by 30 days if the Appeals Committee, or its delegate, the HFHS Retirement Department Director, determines the extension is necessary because of circumstances outside the Plan's control, and the Participant is notified before the end of the 45-day period. If before the end of the 30-day extension period, the Appeals Committee, or its delegate, the HFHS Retirement Department Director, determines that additional time is necessary, the period may be extended for a second 30-day period, if the Participant is notified before the end of the first 30-day extension period and the notice specifies the circumstances requiring the extension and the date as of which the Plan expects to render a decision.

In the case of a denial of the Participant's disability of claim, the written notice will contain the following:

1. The specific reasons for the denial, with reference to the Plan provisions upon which the denial is based;

2. A description of any additional information or material necessary for perfection of the application (together with an explanation why the material or information is necessary); and

3. An explanation of the Plan's claim review procedure and the time limits applicable to such procedure, including a statement of the Participant's right to bring a civil action (under Section 502 of ERISA) after an adverse benefit determination on appeal.

If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, the Appeals Committee (or its delegate) either will provide the specific rule, guideline, protocol or will provide a statement that such rule, guideline, protocol or other similar criterion was relied upon in making the adverse disability determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to you upon request. If no such specific rule, guideline, protocol or other similar criterion exists, a statement to that effect will be provided.

A Participant may appeal an adverse benefit determination relating to a claim of disability under the Plan, by filing an appeal in writing within 180 days after the date of notice of the decision with respect to the application. <u>If the claim was neither approved nor denied within the 90-day period provided above, then the appeal must be made within 180 days after the expiration of the 90-day period.</u> The appeal will be given full and fair review by the Appeals Committee. The Participant may review all pertinent documents and submit issues and comments in writing in connection with the appeal.

Any review of an appeal of a denied claim that a Participant is disabled must meet the following standards: the review does not afford deference to the initial adverse benefit determination; the review is conducted by an appropriate named fiduciary who is neither the party who made the initial adverse benefit determination that is the subject of the appeal nor a subordinate of such party; the review provides that the appropriate named fiduciary consult with health care professionals with appropriate training and experience in the field of medicine involved in the medical judgment in deciding the appeal of an adverse benefit determination that is based in whole or in part on a medical judgement; and the review provides for the identification of the medical or vocational experts whose advice was obtained in connection with the Participant's adverse benefit determination, without regard to whether the advice was relied upon in making the determination.

The decision on appeal will be made promptly, and not later than 45 days after the receipt of a request for review, unless special circumstances require an extension of time for processing, in which case, the special circumstances and the date by which a decision is expected to be rendered shall be communicated to the Participant in writing. In no event will the extension exceed a period of 45 days from the end of the initial 45-day period.

Before the Plan can issue an adverse benefit determination on review on a disability claim, the Appeals Committee shall provide the claimant, free of charge, with any new or additional evidence considered, relied upon, or generated by the Plan or other person making the determination (or at the direction of the Plan or such other person) in connection with the claim; such evidence must be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is required to be provided hereunder to give the claimant a reasonable opportunity to respond prior to that date.

Before the Plan can issue an adverse benefit determination on review on a disability benefit claim based on a new or additional rationale, the Appeals Committee shall provide the claimant, free of charge, with the rationale; the rationale must be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is required to be provided hereunder to give the claimant a reasonable opportunity to respond prior to that date.

The decision on review shall be in writing and shall include:

1. A discussion and explanation of specific reasons for the denial in accordance with applicable Department of Labor regulations, and in a culturally and linguistically appropriate manner, with reference to the Plan provisions upon which the denial is based;

2. A statement that the Participant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for disability benefits;

3. A statement of the Participant's right to bring a civil action (under Section 502 of ERISA) after an adverse benefit determination on appeal.

If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, the Participant will either be provided the specific rule, guideline, protocol or other similar criterion or will be provided a statement that such rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to the claimant upon request. If no such specific rule, guideline, protocol or other similar criterion exists, a statement to that effect will be provided.

OTHER IMPORTANT INFORMATION

Benefit Limits

The HFHS Pension Plan is a defined benefit plan, which means that the Plan defines the amount of benefit payable when you retire. Federal law imposes certain limits on the amount of retirement benefits a Participant may receive; the maximum annual benefit this Plan will pay at age 62 is 100% of your high three years' pay or, if less, a dollar limit periodically adjusted for inflation.

In 2018, the annual dollar limit of benefits payable from the HFHS Pension Plan is $220,000. This dollar limit is reduced if you begin receiving benefits before age 62, and is increased if you begin receiving benefits after age 65. The annual dollar limit applies to annuity forms of payment. The limit on a lump-sum distribution is the lump-sum value of the annual dollar limit.

In general, if you are, or once were, one of the 25 highest-paid employees of HFHS, IRS rules may limit your ability to receive a lump-sum distribution from the Plan. Also, certain regulations may limit the availability of lump-sum distributions to any Plan Participant. You will be notified whether this restriction applies to you.

Top Heavy Rules

Each year, prior to 2011, the Plan Administrator must determine whether the Plan is top heavy. A plan is top heavy when at least 60% of the benefits accumulated under the plan are attributable to certain key employees. If the Plan becomes top heavy, special rules would go into effect for Participants who are NOT on the list of certain HFHS Officers. These Participants would become vested in their Plan balance after three or more years of Vesting Service and, prior to 2011, their Account Balance may increase due to a required minimum benefit that applies when a Plan becomes top-heavy. Currently, the Plan is not top heavy and is not expected to ever become top heavy.

Mergers, Consolidations and Transfers

If this Plan is merged or consolidated with another plan or your assets and liabilities attributable to your accrued retirement benefit are transferred to another plan, your benefit under this Plan will be equal to at least the amount to which you would have been entitled if the Plan had terminated just before the change.

Plan Amendment or Termination

HFHS intends to continue the Plan indefinitely. However, it reserves the right to change or terminate the Plan if necessary. If the Plan is amended, benefits you earned prior to the amendment will be protected.

If the Plan is terminated, all Participants will stop earning benefits as of the Plan termination date. However, active employees at that time will become 100% vested in their Plan benefits to the extent they are funded on that date, and benefits will be distributed to you in any manner that the Plan permits.

Duty to Furnish Information

You and your beneficiary must furnish HFHS, their Third Party Administrator (recordkeeper) and the Trustee all information that HFHS considers necessary to administer the Plan. All parties to, or claiming any interest under, the Plan must perform any and all acts, and execute any and all documents and papers necessary for carrying out the Plan.

Benefit Insurance

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 to the extent guaranteed under the law.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026, or call 202-326-4000. TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's Website on the Internet at http://www.pbgc.gov.

PLAN ADMINISTRATION

HFHS is the Plan Administrator. The Plan Administrator establishes procedures necessary for the operation of the Plan and will inform you of any choices available regarding your benefit. The Plan Administrator has the discretion to interpret the Plan and determine benefit eligibility under the Plan. The Plan Administrator's rules, decisions and interpretations are conclusive on all persons claiming benefits under the Plan.

You may contact the Plan Administrator at:

Henry Ford Health System
1 Ford Place –Section 4E
Attention: Retirement Department
Pension Plan Administrator
Detroit, MI 48202-3450
Telephone Number: 855-874-7100

HFHS has appointed Alight Solutions Associates to handle certain record keeping and administrative functions relating to the Plan's operation. Alight Solutions performs these functions as a third-party administrator for the Plan.

If you have any questions about this Plan summary or the Plan itself, contact the HFHS Retirement Center at 1-888-649-4636 or, with your Pension Plan user ID and password, log onto the *Your Benefits Resources*™ Web site at www.YourBenefitsResources.Com/HFHS.

Contributions to the Plan

HFHS pays the full cost of your pension benefit. The amount of HFHS' contribution is determined with the help of an actuary who calculates how much money HFHS must contribute to the pension fund each year to cover benefits provided by the Plan.

The assets of the Pension Plan are held in a trust. Under current law, the money in the trust can be used only to pay benefits and administrative costs of the Plan, and cannot be returned to HFHS unless all benefit obligations have been met. The Plan Trustee makes all payments from the Plan.

Cost of Administering the Plan

Both ERISA and the Plan document permit the use of Plan assets for payment of reasonable expenses of administering a retirement plan. The Plan Administrator periodically reviews Plan expenses and determines which expenses can be paid through Plan assets. These Plan expenses include investment management fees and a portion of recordkeeping and compliance-related consulting and legal fees.

Limitations on Rights

Nothing in the Plan should be construed as a contract of employment between HFHS and any person, nor does the Plan give any person the right to be retained in the employ of HFHS, or limit the right of HFHS to employ or discharge any person or to discipline any employee.

Use of Electronic Plan Communications

The Plan may give or receive any Plan notice, communicate any Plan policy, conduct any written Plan communication, satisfy any Plan filing or other compliance requirement and conduct any other Plan transaction using any electronic medium to the extent permissible under Applicable Law. A Participant, a Participant's spouse, or a Beneficiary, may use any electronic medium to provide any Beneficiary designation, election, notice, consent or waiver under the Plan, to the extent permissible under Applicable Law. Any reference in this SPD to a "form," a "notice," an "election," a "consent," a "waiver," a "designation," a "policy" or to any other Plan-related communication includes an electronic version thereof as permitted under Applicable Law.

Domestic Relations Orders

As a general rule, your interest in the Plan may not be assigned or alienated. This means that you can't sell your Plan benefit, use it as collateral for a loan, give it away, or otherwise transfer it. In addition, your creditors generally may not attach, garnish or otherwise interfere with your Plan benefit.

However, the Plan Administrator may be required by law to obey court orders, such as divorce decrees, that require some or all of your benefit to be paid to a spouse, former spouse, child or dependent. If the Plan Administrator determines that such an order is a Qualified Domestic Relations Order (QDRO), the Plan will be required to comply with the terms of the order, and all or a portion of your Plan benefit may be used to satisfy the terms of the Order.

IMPORTANT: If you are affected by a QDRO, you should have your attorney contact the Plan Administrator to make sure the appropriate paperwork is filed. You and your beneficiaries can obtain, at no charge, a copy of the Plan's QDRO procedures and a sample QDRO from the Plan Administrator. We recommend you make use of this sample to make preparation of your QDRO more efficient and economical.

These documents are available from the HFHS Human Resources – Retirement Department, and on the Internet at www.YourBenefitsResources.Com/HFHS. You will need your Pension Plan user ID and Password to access this site.

HFHS reserves the right to charge a reasonable cost to review and implement a QDRO.

YOUR RIGHTS UNDER ERISA

As a Participant in this Plan, you're entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

- examine, without charge, at the Plan Administrator's office and at other specified locations, such as 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 United States Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- obtain, upon written request to the Plan Administrator, copies of documents governing the Plan's operation, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

- 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.

- request a statement telling you whether you have a right to receive a pension benefit at normal retirement age and, if so, what your estimated Plan benefit would be at normal retirement age if you stop working under the Plan now. If you don't have a right to a benefit, the statement will tell you how many more years you have to work to become eligible for a pension benefit. This statement must be requested in writing and isn't 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 operating 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 or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

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

If you have a claim for benefits which is denied or ignored, in whole or part, you may file suit in federal court for the Eastern District of Michigan. 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 for the Eastern District of Michigan. However, as a precondition to filing suit, you must exhaust your claim and appeal rights under the Plan. You and your beneficiaries can also obtain, free of charge, a copy of the qualified domestic relations order (QDRO) procedures from the Plan Administrator.

If it should happen that the Plan's fiduciaries misuse the Plan's money, or if you're discriminated against for asserting your rights, you may seek assistance from the United States Department of Labor, or you may file suit in federal court for the Eastern District of Michigan. The court will decide who should pay court costs and legal fees. If you're 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 HFHS Pension Plan, you should contact the Plan Administrator. If you have any questions about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, United States Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, United States Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

ADMINISTRATIVE INFORMATION

Plan Name:	**Henry Ford Health System Pension Plan**
Plan Address and Tax Identification Number:	Henry Ford Health System 1 Ford Place- Section 4E Attention: Retirement Department Detroit, MI 48202-3450 Tax Identification Number: 38-1357020
Plan Sponsor:	**Henry Ford Health System (HFHS)** The Plan allows other employers related to HFHS to adopt its provisions. HFHS, together with any related adopting employers, is collectively referred to as the **Employer**. You or your beneficiaries may examine and obtain a current list of employers who have adopted the Plan by making a written request to the Plan Administrator. The employers participating in the Plan besides HFHS as of the date of this Summary are listed in Appendix A.
Plan Number:	**001**
Effective Date of Plan:	**January 1, 1951** This summary reflects Plan provisions in effect on and after **January 1, 2016.**
Plan Year:	**January 1 – December 31** ***NOTE:*** *Certain compensation and service records are maintained on the basis of the HFHS Payroll Year.*
Type of Plan:	Under ERISA, the Plan is considered a **Defined Benefit** type of pension plan.
Plan Trustee:	The Northern Trust Company 50 South LaSalle Street Chicago, Illinois 60675
Agent for Service of Legal Process:	The Plan Sponsor is the Plan's agent for service of legal process. Legal process can also be served on the Plan trustee.

Name, Address, and Business Telephone Number of Third Party Administrator:	Alight Solutions Attention: Henry Ford Health System Pension Plan P.O. Box 64008 The Woodlands, TX 77387-4008 *Retirement Center Number:* 1-888-649-4636 www.YourBenefitsResources.Com/HFHS

The foregoing Summary Plan Description is written in non-technical language and is intended as a summary of the important provisions of the Plan and Trust set forth in the Plan document and the Trust Agreement. All rights and benefits under the Plan and Trust will be determined by the terms of the Plan document and the Trust Agreement. If the terms of the Plan document and the Trust Agreement and of this summary are inconsistent, the terms of the Plan document and the Trust Agreement will control.

GLOSSARY

Account — Your Account is a record of Principal Accruals and Interest Accruals credited to you under the Plan. It is the general basis for determining your benefit. Your Account is a bookkeeping account for record-keeping purposes only. It isn't an account where Plan assets are separately allocated.

Account Balance — Your Account Balance is the total value of your Account at any point in time. It is generally equal to the lump-sum value of your benefit in the Plan. Your Account Balance will grow with Principal Accruals (a specified percentage of your Compensation for each year prior to 2011) and Interest Accruals (at an interest rate specified in advance of each year).

Adverse Benefit Determination — A claim or appeal decision is *adverse* if it is a:
- denial, reduction, or termination of a benefit, or
- failure to provide or make payment (in whole or in part) for a benefit.

Annuity Factor — The Annuity Factor used to calculate your monthly benefit is determined using Internal Revenue Code rules. The Annuity Factor is based on your projected life expectancy when you take your distribution and an expected rate of return. For information on the rate of return used to calculate your monthly benefit, you can contact the HFHS Retirement Center at 1-888-649-4636.

Applicable Law — Applicable Law means the Code, ERISA, USERRA, Treasury, IRS and DOL regulations, rulings, notices, and other written guidance, case law and any other applicable federal, state or local law affecting the Plan and to the extent binding upon the Plan or upon which the Employer, the Plan Administrator, the Vendor and other Plan fiduciaries may rely in administering the Plan. A specific Plan citation to any Applicable Law includes any successor or modification to the cited provision.

Cash Balance Changeover Date — The Cash Balance Changeover Date is the date your employer changed this Plan or another employer-sponsored pension plan into the cash balance form. A list of the Cash Balance Changeover Dates can be found in Appendix A.

Defined Benefit Plan — A type of retirement plan under which an employer provides a fixed amount of retirement benefit at an employee's normal retirement age. The benefit is usually related to the employee's age, service and/or pay. The HFHS Pension Plan is a Defined Benefit Plan.

Defined Contribution Plan — A type of retirement plan under which the employer makes a fixed contribution on an employee's behalf, which is accumulated to provide whatever amount of benefit it can purchase. The HFHS Retirement Savings Plan is a Defined Contribution Plan.

Disabled — You are considered disabled if you meet the definition of disability under the HFHS Flexible Benefits Plan, or the applicable HFHS LTD plan for which you're eligible for coverage—regardless of whether you elected coverage under that plan. If you are covered by an HFHS LTD plan, your disability will be determined by the insurer of that plan. If you didn't elect LTD coverage, your disability will be determined by the Plan Administrator of the Pension Plan.

Early Retirement Age — You are eligible for early retirement if you are at least age 55 (Early Retirement Age) and have five or more years of Vesting Service.

Eligible Compensation — Eligible Compensation includes your basic cash earnings from a Participating Employer, including pay for up to 80 hours of work per biweekly pay period at your straight-time rate, even if you were paid at your overtime rate for some of those hours.

Your Eligible Compensation ***does*** include:

- salary reduction contributions you make to the HFHS Flexible Benefits plan, or to the 403(b) tax-sheltered annuity (TSA) plan; and
- the amount by which your basic earnings are reduced as a condition of membership in the HFHS Retirement Savings Plan.

Federal law limits your Eligible Compensation. Effective January 1, 2010, the compensation limit was $245,000. 2010 was the last year Principal Accruals were credited to Participants' Accounts. This amount will be adjusted periodically for cost-of-living increases.

Your Eligible Compensation does **not** include:

- maintenance;
- bonuses and other forms of supplemental Eligible Compensation;
- premiums for insurance;
- overtime;
- severance pay;
- salary continuation Disability payments;
- CTO sell-backs (that is, cash you receive in lieu of time off).
- lump sum CTO* (combined time off) payouts on termination of employment;
- Compensation deferred under a nonqualified deferred Eligible Compensation agreement between you and HFHS;
- allowances or reimbursements for expenses;
- Compensation payable in a form other than cash;
- payments under any welfare or fringe benefit plan;
- other similar fringe benefits; OR
- any other kind of extra or additional Eligible Compensation.

**Your Eligible Compensation also doesn't include CTO you donate. Instead, CTO you donate will count as Eligible Compensation for the person who receives the CTO.*

Eligible Employee — You are an eligible employee if you are employed by an HFHS Participating Employer, unless you're:

- a student/fellow whose primary association with HFHS is for educational purposes (if you're a student in a program that isn't sponsored by your employer, you're still eligible);
- a House Officer (including Medical Residents and Interns);
- a collectively bargained employee (if you're a union employee, you're eligible to participate in the Plan only if it specifically says so in your collective bargaining agreement);
- a leased employee OR
- an independent contractor.

Grandfathered Benefit — The minimum benefit accrued under certain prior plans, based on the provisions of that plan and vesting service with HFHS after the Cash Balance Changeover Date.

HFHS — Includes all Henry Ford Health System employers.

HFHS Payroll Year — The year ending with the last payroll period each calendar year is called the HFHS Payroll Year. If you're tracking your Eligible Compensation and/or your Hours of Service for a particular Plan Year, you need to know the first and last days of the corresponding HFHS Payroll Year. For example, the 2010 HFHS Payroll Year started with work performed beginning December 20, 2009 (for a paycheck issued January 8, 2010) and ended with work performed December 18, 2010 (for a paycheck issued December 24, 2010). If you have any questions about these dates, contact HFHS Employee Services at 1-855-874-7100.

Hour of Service — You earn one **Hour of Service** for:

- each hour you're paid to work for HFHS;
- each hour for which you're paid but do no work for HFHS, including vacations, holidays, illnesses, layoffs, jury duty, military duty, and leaves of absence – up to 501 continuous hours; and
- each hour for which you receive back pay by HFHS, except if already covered above.

You will earn Hours of Service in this Plan while you work at any HFHS employer whether or not it is a Participating Employer.

In-Service Distributions — An In-Service Distribution means you receive a distribution while you're still employed. See page 9 for requirements.

Married — Legally married as defined by the state or foreign jurisdiction in which you were married.

Minimum Benefit — The monthly benefit earned under a prior plan, if any.

Non-Participating Employer — Any subsidiary or affiliate that has not adopted the Plan. Contact Retirement Center at 1-888-649-4636 for a current list of Non-Participating Employers. As of January 1, 2007, the Non-Participating HFHS Employers are Health Alliance Plan (HAP) and certain union locations within HFHS.

Normal Retirement Age — Age 65.

One Year Break in Service — If you don't have at least 501 Hours of Service in a Plan Year, you have a "One-Year Break in Service."

Participant — An Eligible Employee who has met the requirements on page 4 of this booklet and is, therefore, eligible for Principal Accruals and Interest Accruals to his or her Account.

Participating Employer — Any subsidiary or affiliate that adopts the Plan (see Appendix A). Contact Retirement Center at 1-888-649-4636 for a current list of Participating Employers.

Plan Year — The Plan Year is the calendar year (January 1 – December 31).

Required Beginning Date — Generally, your Required Beginning Date is April 1 of the calendar year following the ***later*** of:

- the calendar year in which you reach age 70½; or
- the calendar year in which you retire from HFHS.

However, if you die before your benefit has been distributed, a special rule applies. Your benefit must be distributed to your non-spouse beneficiary by December 31 of the calendar year containing the fifth anniversary of your death.

If you're married and have a surviving spouse, the Required Beginning Date for your spouse is the ***later*** of:

- December 31 of the calendar year immediately following the calendar year in which you died; or
- December 31 of the calendar year in which you would have reached age 70½.

Spouse — Spouse means your legal spouse as defined by the law of the jurisdiction in which you were married.

Vesting Service — Vesting Service is used to determine your ownership of your Plan benefit. You will earn one year of Vesting Service for each HFHS Payroll Year in which you complete at least 1,000 Hours of Service for HFHS or another HFHS Participating Employer.

APPENDIX A
PARTICIPATING EMPLOYERS

These employers and divisions of HFHS were participating in the Plan as of January 1, 2011. You may submit a written request for a current list to the Plan Administrator at any time.

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Henry Ford Health System	Henry Ford Health System Pension Plan	January 1, 1989	Yes	Yes	No	HFHS employees became eligible to participate in the Plan in 1951.
Fairlane Health Services Corporation (FHSC)	No	No	No	No	No	FHSC employees were eligible to participate in the Plan while employed by FHSC.
Greenfield Health Systems Corporation (Greenfield)	No	No	No	No	No	Greenfield employees were eligible to participate in the Plan while employed by Greenfield.
Wyandotte Hospital and Medical Center (WHMC)	Wyandotte Hospital and Medical Center, Inc. Pension Plan	January 1, 1992	Yes	Yes For certain WHMC employees who were actively employed on December 31, 1991.	No	WHMC employees first hired on or after July 1, 1989, and before January 1, 1992, were eligible to participate in the Plan. Effective January 1, 1994, all eligible WHMC employees began to participate in the Plan.
Associated Physicians Medical Centers, Inc. (APMC, Inc.) and Associated Physicians Medical Centers, P.C. (APMC, P.C.)	Associated Physicians Pension Plan for APMC, P.C. Associated Physicians Pension Plan for APMC, Inc.	October 1, 1989 May 6, 1990	Yes Yes	Yes Yes	No No	The accrued benefits (and related assets) of such employees in the Associated Physicians Pension Plan were transferred to this Plan, and were converted, on the applicable date of participation, into Account Balances. Prior service with APMC, P.C. or APMC, Inc. is recognized for purposes of vesting.

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Henry Ford Continuing Care Corporation (HFCCC)	No	No	Yes	No	Yes	HFCCC employees became eligible to participate in the Plan on January 1, 1992. Prior HFCCC service is recognized for purposes of vesting. **Transition Benefit** On January 1, 1992: • Eligible professional, licensed, and management employees received an amount equal to $100 times each complete year of service from each employee's date of hire with HFCCC (or a predecessor to HFCCC) through December 31, 1991 (hereinafter "HFCCC employment"); and • Other eligible, non-licensed employees received an amount equal to $50 times each complete year of service in HFCCC employment from each employee's date of hire through December 31, 1991. For purposes of the above, one year of service was credited to an employee for each complete calendar year of HFCCC employment between January 1, 1985, through December 31, 1991, in which the employee earned at least 1,800 Hours of Service. Furthermore, an employee was credited with one year of service for each complete calendar year of HFCCC employment before 1985, but only if the employee received credit for all post-1984 years of HFCCC employment. If the employee didn't qualify for credit in every post-1984 year of HFCCC employment, no years of service were credited with respect to pre-1985 HFCCC employment.

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
St. Mary Hemodialysis Unit Employees (St. Mary)	No	No	No	No	No	Effective May 1, 1990, employees of the St. Mary Hemodialysis Unit of St. Mary Hospital, Livonia, Michigan became employees of the Employer, upon the commencement of operations of that unit by the Employer. On that date, St. Mary employees became eligible to participate in the Plan, and their prior service with St. Mary Hospital was recognized under the Plan for purposes of vesting.
Lakeside Clinic (Lakeside)	No	No	No	No	No	Effective November 1, 1990, Lakeside employees became eligible to participate in the Plan. The prior service of Lakeside employees was recognized under the Plan for purposes of vesting.
Cottage Hospital Corporation	Cottage Hospital Corporation Pension Plan	July 1, 1991	Yes	Yes	No	The Cottage Hospital cash balance plan was merged into this Plan effective December 31, 1993. Participants in that prior plan who were actively employed on June 30, 1991, have a Grandfathered Benefit under that Plan (still maintained under this Plan). Effective January 1, 1994, Participants in the Cottage Hospital Pension Plan became Participants in this Plan. Between January 1, 1994 and December 19, 1998, Cottage Hospital employees were eligible to participate in this Plan. Between September 1, 1998 and December 19, 1998, some Cottage Hospital employees were leased to Bon Secours Cottage Health Services. Bon Secours Cottage Health Services is a nonparticipating employer. Effective December 20, 1998, these Cottage Hospital employees became employees of Bon Secours Cottage Health Services. The service of any Bon Secours transferee with Bon Secours Cottage Health Services from September 1, 1998 to the earlier of (i) his or her termination of employment with Bon Secours Cottage Health Services or (ii) January 1, 2004 counts as service with HFHS for purposes of vesting and for Points used to determine Principal Accruals.

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Kingswood Hospital	Kingswood Hospital Inc. Pension Plan	January 1, 1995	Yes	No	Yes	Effective January 1, 1995, Participants in the Kingswood Hospital, Inc. Pension Plan (Kingswood Plan) became Participants in this Plan. All other Kingswood Hospital employees are now eligible to participate in this Plan. Kingswood employees on December 31, 1994 who became Participants of the HFHS Plan on January 1, 1995, received an initial Account Balance equal in value to the monthly benefit accrued under the Kingswood Plan. Kingswood employees who transferred to HFHS between January 31, 1993 and December 31, 1994, and were HFHS employees on December 31, 1994, also received an equivalent amount as an addition to their Account. The value of a cost-of-living adjustment from the Kingswood Plan was also included in the Account Balances for employees who were at least age 55 with five years of service as of December 31, 1994. **Transition Benefit** A transition benefit – equal to 4% of the Participant's initial Account Balance times Kingswood years of service at December 31, 1994 (up to 10 years) – was also added to each Participant's Account Balance.

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Metro Medical Group	HAP Pension Plan—Active Non-Union MMG Employees Only	January 1, 1996	Yes	No	Yes	Effective January 1, 1996, certain non-union employees of Metro Medical Group (MMG), a division of Health Alliance Plan, became employees of the Employer, and their benefits under the Health Alliance Plan (HAP) Pension Plan were transferred to this Plan. On that date, such Metro Medical Group employees became eligible to participate in this Plan. **Transition Benefit** Each of these merged MMG employee who (i) was an active Participant in this Plan after 1995, (ii) had at least five years of service under the HAP Plan on December 31, 1995, and (iii) had at least 50 Points on December 31, 1995 [based on the sum of full years of age, and years of service under the HAP Plan] was eligible for supplemental principal accruals (in addition to all Principal Accruals otherwise provided under the Plan). Such supplemental principal accruals were provided during the period from January 1, 1996 through December 31, 2000 as long as the Participant was receiving a Principal Credit under the Plan. The supplemental principal accruals were a percent of annual Eligible Compensation equal to 2.0% plus 0.1% times the number of Points at transition greater than 50 Points, with a maximum percentage of 5.0% for 80 or more Points. There were no supplemental principal accruals for those with less than 50 Points at the Transition Date.

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Horizon Health System Non-Union Employees	Detroit Osteopathic Hospital Corporation Retirement Income Plan (Horizon Health System Pension Plan) – Non-Union Employees Only	August 1, 2002	Yes	No	Yes	**Merged Benefits –** Effective July 31, 2002, the pension benefits (and corresponding trust assets) of certain non-union employees who were Participants in the Horizon Health System Pension Plan (HHS Plan) were merged into this Plan. This merger and transfer applied to all benefits of all persons under the HHS Plan (including retirees and terminated vested Participants), except benefits of the following persons: • Active employees of HHS who were Participants of an HHS collective bargaining unit on July 31, 2002. • Persons who, on July 31, 2002, were retirees or terminated vested former employees of HHS, and who were represented (when their employment ended with HHS and with the entire Henry Ford Health System) by a union which was a collective bargaining representative at HHS on July 31, 2002. Persons whose benefits were not merged and transferred are considered HHS union employees; all others, whose benefits were merged and transferred to this Plan, are considered HHS non-union employees. Note that the HHS Plan benefits merged into this Plan apply to *all* non-union employees who had benefits in the HHS Plan as of July 31, 2002. This would include the following persons: • *People actively employed at HHS or elsewhere within HFHS on and after July 31, 2002.* These persons' benefits will be converted to Cash Balance Accounts. Some of these people may also be eligible for special transition credits. *Persons who had terminated employment with HHS and HFHS before July 31, 2002, and as of that date, had not been rehired and had not yet started to receive benefits from the HHS Plan.* Some of these people will be paid their HHS Plan benefit from this Plan, according to the terms of the HHS Plan. Some of these people may be eligible for cash balance Accounts, if they meet certain requirements. (See *Cash Balance Accounts for HHS Plan Participants* below). Some of these persons may also be eligible for special transition credits, if they meet other requirements. (See *Transition Credits for HHS Plan Participants* below).

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Horizon Health System Non-Union Employees (continued)						• *Certain former HHS Corporate Employees*. At the request of HHS and HFHS, certain HHS non-union employees who were designated as corporate employees transferred directly from HHS to other employment within HFHS on or after January 1, 2001. These corporate employees “left behind” in the HHS Plan the pension benefits that had accrued at the time of transfer, and started accruing cash balance benefits in this Plan when they became HHS employees. As of July 31, 2002, the benefit such a corporate employee “left behind” in the HHS Plan were merged into the Plan. • *Persons already receiving benefits from the HHS Plan on July 31, 2002*. These persons could be terminated or retired HHS employees, their beneficiaries, or alternate payees under a qualified domestic relations order. These people experienced no change other than a new source of payment of their retirement benefits (this Plan instead of the HHS Plan). **Cash Balance Accounts for HHS Plan Participants** – The following HHS non-union employees whose HHS Plan benefits merged into this Plan on July 31, 2002 received initial Account Balances. These persons will be able to receive payment of their merged HHS Plan benefit as provided under the HHS Plan (generally, monthly payments) or as a one-time lump-sum payment (which pertains to these Account Balances). 1. A non-union employee who was actively employed by HHS (or elsewhere within HFHS) on both July 31, 2002 and August 1, 2002. 2. A non-union employee who was actively employed by HHS on January 1, 2002, and who remained continuously employed by HHS (or elsewhere within HFHS) through July 31, 2002.

Employer	**Prior Pension Plan**	**Cash Balance Changeover Dt**	**Minimum Benefit**	**Grandfathered Benefit**	**Transition Benefit**	**Comments**
Horizon Health System Non-Union Employees (continued)						3. A non-union employee who terminated employment (with HHS and HFHS) before July 31, 2002 (and was not rehired by that date) and who: • was actively at work at HHS on January 1, 2002, • remained continuously employed at HHS (or elsewhere within HFHS) through April 1, 2002, • terminated employment with HHS (or HFHS) before July 31, 2002, for one of the following reasons: – retirement at or after age 65 (with at least five years of employment), – early retirement (age 55 with at least ten years of Continuous Service, as defined in the HHS Plan), – death, – disability, or – involuntary***** termination of employment, and • didn't begin distribution of benefits under the HHS Plan by August 1, 2002. * Involuntary termination of employment means that your employer terminated your employment with HFHS (including HHS), except if you were terminated for gross misconduct, as shown by personnel records. 4. Special rules for certain former HHS corporate employees: The HHS Plan benefit merged into this Plan for HHS corporate employees described above (under *Merged Benefits*) was converted and added to the preexisting Account of such a corporate employee, but only if the corporate employee remained continuously employed with HFHS from the date of transfer through at least April 1, 2002.

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Horizon Health System Non-Union Employees (continued)						Persons who terminated from HHS as vested non-union employees, and were hired within HFHS as Participants of this Plan before commencing an HHS Plan benefit. Such people who left HHS at any time before August 1, 2002 as non-union employees, with a vested HHS Plan benefit, continued to have that same HHS Plan benefit if they were rehired within the HFHS System and were covered by this Plan. If such a person is not otherwise included in one of the groups above, his or her prior HHS Plan benefit was converted to an Account Balance upon hire with HFHS (or as of August 1, 2002, if later). The converted benefit was added to the pre-existing plan Account, if any. (Note: the same Account conversion was provided to such employees who were non-union HHS terminees but were not vested at the time of their HHS termination only *if* he or she was rehired by HHS or within HFHS before five one-year breaks in service occur.) **Transition Benefit** The HHS non-union employees described at 2, 3, or 4 above, who received opening Account Balances on August 1, 2002 (or in the case of the corporate employees, received augmented Account Balances) are also eligible for special transition credits if they meet the age and service requirements in the chart below. **<u>Points</u>** — **<u>Transition Credit</u>** Retirement-Eligible: Age 55 with at least 10 years of Continuous Service, or age 65 with at least five years of employment — 70% 80 or more Points — 40% 70 to 79 Points — 30% 55 to 69 Points — 20%

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Horizon Health System Non-Union Employees (continued)						"Points" means the total of your age plus years of continuous service under the HHS Pension Plan (including HFHS service), as of July 31, 2002. 50% or the transition credits were added to a Participant's Account Balance on December 31, 2002 and 50% on June 30, 2003, as long as the Participant was continually employed within HFHS from August 1, 2002 through each crediting date. For HHS corporate employees described above, the transition credits will only apply to the portion of their Account added on August 1, 2002 under the special merger rule. The transition credits will not apply to the portion of their Account earned under the HFHS Plan before August 1, 2002. However, if you were eligible for the transition credits but left HHS (or HFHS) for one of the reasons below before a crediting date, your Account was nonetheless credited (on the date of such event) with the transition credits you would have received for the year in which the event happened: • retirement at or after age 65 (with at least five years of employment), • early retirement (age 55 with at least 10 years of continuous [vesting] service), • death, • disability, or involuntary termination from employment covered by the HFHS Plan.

Employer	Prior Pension Plan	Cash Balance Changeover Date	Minimum Benefit	Grandfathered Benefit	Transition Benefit	Comments
Horizon Health System Non-Union Employees (continued)						**Special Provisions of Closing of Riverside Hospital Facility –** The Riverside Hospital Facility (which includes Riverside Hospital, the Horizon Family Medical Center in Taylor, and the Riverside Family Physicians in Trenton ("Riverside"), but excludes all other components of Horizon Health System or HFHS), was closed at the end of 2002. As a result of that closing: • Any Participant who terminated employment from a position at Riverside on or after October 11, 2002 is fully vested in his or her Plan benefit. An actively employed Participant under the Plan on October 11, 2002, who was entitled to the transition credits under (C) above on December 31, 2002, but who voluntarily terminated employment before January 1, 2003, was credited with the transition credits that would have applied on December 31, 2002. However, such voluntarily terminated Participants do not share in any additional transition credits under the Plan credited in 2003 or thereafter. A Participant who is terminated for gross misconduct, as described above, was not credited with the December 31, 2002 transition credits.

<table>
<tr>
<td>Henry Ford Macomb (formerly Trinity St Joseph Mercy)</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Former Trinity St Joseph Mercy employees became eligible to participate in the Plan on July 1, 2007. Prior Trinity Health Pension Plan service is recognized for purposes of vesting.
Transition Benefit
Employees with at least 5 years of Vesting Service and 45 Points (Age Plus combined Vesting Service as of 12/31/2007) are eligible to receive Transitional Accruals in the HFHS Pension Plan, provided they work over 1,000 hours in the HFHS Payroll Year and meet employment requirements. The following Transitional Accrual percentages will be credited to their account until 12/31/2010 when Principal Accrual are frozen. The points are the sum of their Age Plus Combined Vesting Service as of 12/31/2007 and do not change from year to year:
<table>
<tr><th>Points as of 12/31/2007</th><th>Transition Credit %</th><th>Points as of 12/31/2007</th><th>Transition Credit %</th></tr>
<tr><td><45</td><td>0.00</td><td>70</td><td>6.60</td></tr>
<tr><td>45</td><td>0.50</td><td>71</td><td>6.76</td></tr>
<tr><td>46</td><td>0.50</td><td>72</td><td>6.92</td></tr>
<tr><td>47</td><td>0.50</td><td>73</td><td>7.08</td></tr>
<tr><td>48</td><td>0.50</td><td>74</td><td>7.24</td></tr>
<tr><td>49</td><td>0.50</td><td>75</td><td>7.40</td></tr>
<tr><td>50</td><td>0.50</td><td>76</td><td>7.56</td></tr>
<tr><td>51</td><td>0.90</td><td>77</td><td>7.72</td></tr>
<tr><td>52</td><td>1.30</td><td>78</td><td>7.88</td></tr>
<tr><td>53</td><td>1.70</td><td>79</td><td>8.04</td></tr>
<tr><td>54</td><td>2.10</td><td>80</td><td>8.20</td></tr>
<tr><td>55</td><td>2.50</td><td>81</td><td>8.36</td></tr>
<tr><td>56</td><td>3.00</td><td>82</td><td>8.52</td></tr>
<tr><td>57</td><td>3.50</td><td>83</td><td>8.68</td></tr>
<tr><td>58</td><td>4.00</td><td>84</td><td>8.84</td></tr>
<tr><td>59</td><td>4.50</td><td>85</td><td>9.00</td></tr>
<tr><td>60</td><td>5.00</td><td>86</td><td>9.20</td></tr>
<tr><td>61</td><td>5.16</td><td>87</td><td>9.40</td></tr>
<tr><td>62</td><td>5.32</td><td>88</td><td>9.60</td></tr>
<tr><td>63</td><td>5.48</td><td>89</td><td>9.80</td></tr>
<tr><td>64</td><td>5.64</td><td>90</td><td>10.00</td></tr>
<tr><td>65</td><td>5.80</td><td>91</td><td>10.20</td></tr>
<tr><td>66</td><td>5.96</td><td>92</td><td>10.40</td></tr>
<tr><td>67</td><td>6.12</td><td>93</td><td>10.60</td></tr>
<tr><td>68</td><td>6.28</td><td>94</td><td>10.80</td></tr>
<tr><td>69</td><td>6.44</td><td>95+</td><td>11.00</td></tr>
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APPENDIX B
SPECIAL TRANSFER RULES

Transfers to Bon Secours Cottage Health Services

Between September 1, 1998 and December 19, 1998, some Cottage Hospital employees were leased to Bon Secours Cottage Health Services. Effective December 20, 1998, these Cottage Hospital employees became employees of Bon Secours Cottage Health Services and are referred to as "Bon Secours transferees". The service of any Bon Secours transferee with Bon Secours Cottage Health Services from September 1, 1998 to the *earlier* of his or her termination of employment with Bon Secours Health Services, or January 1, 2004, will be recognized under this Plan as service with HFHS for purposes of Vesting Service and Points for determining Principal Accruals.

Horizon Employees Who Transferred to this Plan on or after October 1, 1995

A special rule also applies to individuals who transfer from certain Horizon Health System companies to another HFHS employer. On October 1, 1995, the following Horizon companies became HFHS employers: Detroit Osteopathic Hospital Corporation, Focus Health Care, Horizon Dialysis Corporation, Horizon Health System, Horizon Medical Associates, P.C., and Vista Resources, Inc. If a Horizon employee transfers from Horizon to a participating HFHS employer on or after October 1, 1995, the employee's Horizon service before and after October 1, 1995, would be recognized under this Plan for purposes of eligibility to participate, Vesting Service, and Points for determining Principal Accruals.