

JOHNS HOPKINS HEALTH SYSTEM CORPORATION  
403(b) PLAN

SUMMARY PLAN DESCRIPTION

This is a summary of the Johns Hopkins Health System Corporation 403(b) Plan (the “Plan”) as it applies to employees (and their beneficiaries) of the Johns Hopkins Health System Corporation (the “Health System”) and certain of its participating affiliates. This summary describes the terms of the Plan, as amended through December 31, 2008.

You are cautioned that this summary does not reflect any future amendments that may be made to the Plan from time to time, and may not reflect all exceptions to the general provisions covered in this summary. Any conflicts between the statements in this summary and the terms of the Plan will be resolved by reference to the full Plan document.

If material changes are made to the Plan, you will receive a written summary description of such changes, which will supersede or supplement this summary. You should attach any written summaries of material changes to this document so that you will always have a current summary of the Plan.

**JOHN HOPKINS HEALTH SYSTEM CORPORATION 403(B) PLAN**

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## **INTRODUCTION**

Johns Hopkins Health System Corporation has established the Johns Hopkins Health System Corporation 403(b) Plan (the “Plan”) to provide eligible employees with an opportunity to save and invest for retirement. Under the Plan, you may contribute a portion of your compensation on a pretax and/or after-tax Roth basis, and receive employer matching contributions based on the amount of those contributions after completing a year of service. Any contributions that you make to the Plan are completely voluntary. You decide whether or not to contribute to the Plan and how much to contribute. However, if you are an eligible employee whose employment with the Johns Hopkins Health System Corporation or an affiliate began on or after January 1, 2009, you will be automatically enrolled in the Plan, unless you affirmatively elect otherwise.

This booklet is a summary of the Plan, as amended through December 31, 2008. It is not the Plan document. In case of any conflict between the information in this summary plan description and the terms of the Plan document, the terms of the Plan document will control. The Plan document contains a complete description of the terms and conditions of the Plan and legally governs the operation of the Plan. If you have any questions about the Plan or your eligibility, you may call the Pension Office at (410) 614-3611. If you have further questions, or if you wish to examine a copy of the Plan document and the trust agreement for the Plan, please contact the plan administrator.

## **DEFINITIONS**

Throughout this document, certain terms appear in *italics*. These terms have special meanings for purposes of the Plan. Each of the italicized terms is defined below.

“*Beneficiary(ies)*” means the individual, institution, trustee or estate designated by you to receive your benefits at your death. As part of your enrollment process, you will be asked to complete a beneficiary designation form.

“*Compensation*” means the amount paid to you that must be reported as wages on your Form W-2, plus compensation that is not currently includable in your gross income because it is contributed through a salary reduction agreement to a plan that meets the requirements of Section 125, 132(f), 401(k), 402(e)(3), 402(h), 403(b) or 457(b) of the Internal Revenue Code. *Compensation* taken into account under the Plan cannot exceed the limits of Section 401(a)(17) of the Internal Revenue Code (\$245,000 for 2009). This limit is adjusted by the Internal Revenue Service from time to time for increases in cost-of-living.

“*Fund Sponsor*” means an insurance, variable annuity or investment company that makes investment options available to participants under this Plan.

“*Funding Vehicles*” means the annuity contracts or custodial accounts offered as investment alternatives under this Plan and specifically approved by the *Health System* for use under this Plan.

“*Health System*” means the Johns Hopkins Health System Corporation.

“*JHHSC Retirement Plan*” means the Johns Hopkins Health System Corporation Retirement Plan, which is a defined benefit pension plan sponsored by the *Health System*. For more information about the *JHHSC Retirement Plan*, please refer to the summary plan description for the *JHHSC Retirement Plan*.

“*Plan*” means The Johns Hopkins Health System Corporation 403(b) Plan as described in this summary and as set forth in the Johns Hopkins Health System Corporation 403(b) Plan document, as it may be amended from time to time.

“*Plan Administrator*” means the person or entity responsible for the administration of the *Plan*. See the Section entitled “Important Information About the Plan” for information about the *plan administrator*.

“*Plan Year*” means the period of twelve consecutive months commencing on January 1 and ending on the following December 31.

“*Roth Contribution*” means any contributions made to the *Plan* that are includible in your gross income at the time deferred. As indicated in your salary reduction agreement, these contributions are irrevocably designated as *Roth contributions*. *Roth contributions* may be distributed tax-free (along with any associated investment earnings) if certain requirements are met. See the Section entitled “Paying Taxes on Your Benefit and Rollover Rights” for more information on distributions of *Roth contributions*.

“*Third Party Administrator*” means the professional service provider retained by the *plan administrator* to assist in the administration of the *Plan*. Currently, the *third party administrator* for the *Plan* is Lincoln National Life Insurance Company. You may contact Lincoln by visiting its website, [lincolnalliance.com](http://lincolnalliance.com), or by calling (800) 234-3500. You may also

contact Lincoln's on-site representative.

## **ELIGIBILITY TO PARTICIPATE**

### **Who is Eligible for the Plan**

You are eligible to participate in the *Plan* if you are an employee of the *Health System* or one of the following *Health System* affiliates:

The John Hopkins Hospital  
John Hopkins Bayview Medical Center, Inc.

However, you are not eligible to participate in the *Plan* if you are covered by a collective bargaining agreement (unless the agreement specifically provides for participation in the *Plan*), or if you are a leased employee or independent contractor.

Once you are eligible, you may begin to make voluntary pretax and *Roth contributions* to the *Plan* by completing and submitting a salary reduction agreement (and any other necessary enrollment forms) to the *third party administrator*.

### **Automatic Enrollment**

If you are an eligible employee who was hired on or after January 1, 2009 and you do not elect to voluntarily participate in the *Plan* within 30 days of receiving notice of *Plan* eligibility, you will be automatically enrolled in the *Plan* unless you affirmatively elect otherwise during the 30 day period.

Automatic enrollment means that your *compensation* will be reduced automatically, and the amount by which your *compensation* is reduced will be contributed on your behalf to your account under the *Plan*.

## **MAKING CONTRIBUTIONS UNDER THE PLAN**

### **Voluntary Pretax and Roth Contributions**

You may voluntarily elect to participate in the *Plan* by completing a salary reduction agreement. On the agreement, you elect the amount of your *compensation* that you wish to contribute to the *Plan* on a pretax basis and/or as a *Roth contribution*. You may elect a whole number percentage (*e.g.*, 15%) or a flat dollar amount (*e.g.*, \$200) of your *compensation* to be contributed each pay period. After your salary reduction agreement is completed and submitted, your *compensation* will be reduced by the amount you have elected, and the same amount will be contributed to your account under the *Plan*.

If you were automatically enrolled in the *Plan*, you will be deemed to have authorized the *Health System* or your participating employer to contribute 2% of your *compensation* to

the *Plan* on a pretax basis. Unless you affirmatively elect otherwise, the contribution amount will automatically increase by 1% of *compensation* each year up to a maximum of 10% of *compensation*. You may elect to change your contribution rate at any time by completing a salary reduction agreement.

Unlike pretax contributions, *Roth contributions* are subject to federal income tax when made to the *Plan*, but the *Roth contributions* and any associated investment earnings are distributed tax-free if the requirements of a “qualified distribution” are met. See “Receiving Your Benefits” and “In-Service Cash Withdrawals,” below, for more information.

You may terminate your salary reduction agreement at any time. Your ability to modify the agreement may be subject to reasonable restrictions established by the *plan administrator*. The salary reduction agreement is legally binding and irrevocable with respect to *compensation* paid while the agreement is in effect.

The amount of voluntary pretax and *Roth contributions* that you can make to the *Plan* is subject to certain limits imposed by law. See the Section entitled “Limits on Contributions,” below, for more information on contribution limits.

### **Age-Based Catch-Up Contributions**

If you are eligible to contribute to the *Plan*, you will attain at least age 50 by the end of the *plan year*, and you have reached the contribution limits imposed by the *Plan* or by law, you may make an age-based “catch-up contribution” of \$5,500 (for 2009) on a pretax or Roth basis. Catch-up contribution limits are adjusted annually for inflation.

The *plan administrator* will determine whether a voluntary pretax or *Roth contribution* is an age-based catch-up contribution, based on Internal Revenue Service regulations and other guidance.

### **Service-Based Catch-Up Contributions**

If you are eligible to contribute to the *Plan* and you have completed at least 15 years of service with the *Health System* and its affiliates, you may make an additional service-based catch-up contribution on a pretax or Roth basis. Your service-based catch-up contribution for any year cannot exceed the least of:

- \$3,000
- \$15,000 minus the total of your service-based catch-up contributions for previous years; or
- \$5,000 multiplied by your years of service with the *Health System* and its affiliates, minus the total of your voluntary

pretax and *Roth contributions* (including any catch-up contributions) made in all previous years to the *Plan* or any other plan maintained by the *Health System*.

If you make both service-based and age-based catch-up contributions to the *Plan*, the contributions will first be treated as service-based contributions and then as age-based contributions. This treatment reduces the amount of service-based catch-up contributions you can make in future years.

### **Rollover Contributions**

You may transfer (or “roll over”) to the *Plan* amounts from another employer’s plan or an individual retirement account (IRA), subject to certain restrictions that may be imposed by the *fund sponsor*.

### **Matching Contributions**

If you make voluntary pretax and/or *Roth contributions* to the *Plan*, and you have completed one year of service with the *Health System* (as defined below under “Vesting”), you will receive employer matching contributions in your match account under the *Plan*. Your matching contributions will equal 50% of your voluntary pretax and *Roth contributions* to the *Plan* for each payroll period, to the extent your voluntary pretax and *Roth contributions* do not exceed 2% of your *compensation* for the payroll period.

Prior to January 1, 2009, if you made voluntary pretax and *Roth contributions* to the *Plan*, and you were a participant in the *JHHSC Retirement Plan*, you received “matching credits” in your employer matching account under the *JHHSC Retirement Plan*. Your employer matching account will continue to receive interest credits after January 1, 2009 under the terms of the *JHHSC Retirement Plan*. See the *JHHSC Retirement Plan* summary plan description for more information.

*Example:* Assume that Stephanie, an employee of The Johns Hopkins Hospital, is a participant in this *Plan*. During the first payroll period of 2009, Stephanie earns \$1,500 in compensation and elects to contribute \$75 (5%) as a voluntary pretax contribution to her account under the *Plan*. A matching contribution of \$15 will be added to match account under the *Plan* (she makes a voluntary pretax contribution of at least 2% of her *compensation* (\$30) to her account under the *Plan*, and 50% of that amount is \$15).

### **Limits on Contributions**

Your voluntary pretax and *Roth contributions* to the *Plan* and all other defined contribution plans in which you may have participated during the year are limited to a certain dollar amount set forth in the Internal Revenue Code. The current dollar limit

for 2009 is \$16,500.

If you have completed at least 15 years of service with your current organization, you may make a service-based “catch-up contribution” under the *Plan* (see the section entitled “Catch-Up Contributions,” above). Service-based catch-up contributions do not count for purposes of the dollar limit described above.

There is also a limit on the total contributions that can be added to your account under the *Plan* for any *plan year*. In 2009, the contributions to your account (not including catch-up contributions) under the *Plan* cannot exceed the lesser of \$49,000 or 100% of your annual *compensation*. The IRS may adjust this limit from time to time.

If you will reach age 50 or older by the end of the *plan year*, and your contributions will be limited by the *Plan* or by law, you may make an age-based catch-up contribution under the *Plan* (see the section entitled “Catch-Up Contributions,” above). Age-based catch-up contributions do not count for purposes of either of the limits described in this Section.

For more information on the limits applicable to the *Plan*, contact the Pension Office at (410) 614-3611.

## **INVESTING YOUR ACCOUNT**

The *Plan* features a wide range of investment alternatives with different objectives, risk and potential for gain. The availability of these alternatives allows you to create an investment program that is right for you.

Before deciding to invest in any investment fund, you should read the prospectus for that fund. Except in the case of a fixed annuity investment option, there is no guarantee that the stated investment goals of any of the investment fund will be realized. You can obtain detailed information (including a prospectus) about each of the investment funds by contacting the *third party administrator*. The *plan administrator* has the right to add or remove investment funds under the *Plan*. You will be notified in advance of any such change.

### **Investment Elections**

When you enroll in the *Plan* and elect to make voluntary pretax and/or *Roth contributions*, you choose how your contributions and employer matching contributions are to be invested. You may direct that your contributions be invested among any or all of the investment funds offered under the *Plan*, in increments of 1%. Your election of how contributions added to your account are to

be invested will remain in effect until changed by you.

If you are automatically enrolled in the *Plan*, the contributions added to your account will be initially invested in the default investment fund selected by the *Health System*. You may change the investment allocation of these contributions at any time by contacting the *third party administrator*.

**Changing Your Investments**

You may change your investment election as of any business day. Any such change will apply, as you direct, (1) only to existing money in your *Plan* account, (2) only to future contributions to your *Plan* account, or (3) both. In order to make an investment change, you must contact the *third party administrator*.

**Transaction Fees and Expenses**

There is an annual fee of \$50 if you invest all or a portion of your *Plan* account in the self-directed brokerage account option. Also, certain transactional fees may apply based on the investments you select within the self-directed brokerage account option. Unless otherwise indicated in a fund's prospectus or by the *third party administrator*, there are no other transaction fees or expenses that reduce your *Plan* account balance associated with the purchase or sale of investment options offered under the *Plan*.

**Participant Investment Directions**

The *Plan* is intended to comply with Section 404(c) of the Employee Retirement Income Security Act of 1974 ("ERISA") and accompanying regulations. This means that the *Plan* permits participants to direct the investment of their *Plan* accounts. As long as the *Plan* complies with the requirements of Section 404(c), you will have responsibility for deciding how your *Plan* account is invested and the parties that otherwise would be responsible for making investment decisions (the "fiduciaries" of the *Plan*) will not be liable for any losses that result directly from your investment instructions.

To comply with Section 404(c), the *Plan* must permit participants to choose from a broad range of investment alternatives and must provide participants with certain information about the investment alternatives and the operation of the *Plan*. In addition to the information included in this summary and in your enrollment package for the *Plan*, you may request the following information:

- a description of the annual operating expenses of each investment fund which reduce the rate of return for participants and beneficiaries, and the aggregate amount of such expenses expressed as a percentage of average net assets of the investment option;

- copies of any prospectuses, financial statements and reports, and of any other materials relating to the investment funds to the extent that such information is provided to the *Plan*;
- a list of the assets comprising the portfolio of each investment fund which constitute *Plan* assets within the meaning of ERISA, and the value of each such asset;
- information concerning the value of shares or units in each investment fund, as well as the past and current investment performance of such investment fund, determined, net of expenses, on a reasonable and consistent basis; and
- information concerning the value of shares or units in investment funds held in your *Plan* account.

The *plan administrator* is the named fiduciary responsible for providing this information. To request any of this information, contact the Pension Office at (410) 614-3611 or the *third party administrator*.

The *Plan's* default investment fund is intended to meet the requirements of a “qualified default investment alternative” under U.S. Department of Labor regulations. You will receive an annual notice explaining the default fund’s investment objectives, risk and return characteristics and fees and expenses. If you would like to receive more information about the *Plan's* default investment fund, contact the Pension Office at (410) 614-3611 or the *third party administrator*.

## **VESTING**

You always have a 100% vested (that is, nonforfeitable) interest in all of your contributions to the *Plan*. Any employer matching contributions that are made to the *Plan* based on your voluntary pretax and *Roth contributions* to this *Plan* will become vested in accordance with the following schedule.

<u>Years of Service</u>	<u>Nonforfeitable Interest</u>
1	0%
2	25%
3	50%
4	75%

5	100%
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A “year of service” means each year of your employment (from the date of your hire) that you are credited with at least 1,000 hours of service, as determined under the terms of the *Plan*.

An “hour of service” mean any hour that you work and are paid (or for which you are entitled to be paid) by the *Health System* or a participating employer.

## **RECEIVING YOUR BENEFITS**

Your *Plan* account will be payable upon your termination of employment with the *Health System* and its affiliates for any reason. Payment must begin no later than April 1 following the later of the calendar year in which you attain age 70½ or the calendar year in which you terminate employment (your “required beginning date”). Failure to begin receiving benefit payments by your required beginning date may subject you to federal tax penalties.

### **Form of Payment**

You may choose from among several payment options for receiving your *Plan* account when you retire. These optional forms of payment include a single sum payment and your choice of annuity options (as described below). Your form of payment may depend on the *funding vehicle* in which you have elected to invest your contributions to the *Plan*, and may be subject to legal restrictions. You should contact your *fund sponsor* for more details on choosing a form of payment.

*Single sum payment.* You may elect to receive the value of your *Plan* account in a single sum payment.

*Single life annuity.* You may elect to convert the value of your *Plan* account into an equivalent annuity (using actuarial factors) that will pay you a monthly benefit for as long as you live. This form of payment will provide you with the greatest amount of monthly income because it is paid over your life only.

*Joint and survivor annuity.* You may elect to convert the value of your *Plan* account into an equivalent annuity (using actuarial factors) that will pay you a reduced monthly benefit for as long as you live. After your death, your *beneficiary* will receive, at your election, 50%, 75% or 100% of the amount you received in monthly installments for your *beneficiary’s* life. If you are

married when you begin to receive payment of your *Plan* account and you elect an annuity option, your *Plan* account must be paid as a joint and survivor annuity with your spouse as your *beneficiary*, unless you elect otherwise and your spouse consents to your election.

*Single life annuity with 120 guaranteed monthly payments.* You may elect to convert the value of your *Plan* account into an equivalent annuity (using actuarial factors) that will pay you a reduced monthly benefit for as long as you live. If, as of the date of your death, you have received less than 120 monthly payments, your *beneficiary* will receive the remaining monthly payments, provided that you and your *beneficiary* will not receive a total of more than 120 monthly payments.

*Single life annuity with cash value option.* You may elect to convert the value of your *Plan* account into an equivalent annuity (using actuarial factors) that will pay you a reduced monthly benefit for as long as you live. If, as of the date of your death, you have received less than the value of your *Plan* account (as of the date payments began), the excess of such value over the value of the monthly payments you received will be paid as a single sum payment to your *beneficiary*.

Note that a participant may only take a distribution from his or her *Roth contribution* account if such distribution would constitute a “qualified distribution.” A qualified distribution is a distribution that is made at least five taxable years after your first *Roth contribution* to the *Plan* and after you attain age 59½, your death or the date you become disabled.

## **Payment Upon Death**

If you die before beginning to receive payment of your *Plan* account, the value of your *Plan* account will be paid to your *beneficiary* in a form described above that he or she elects (subject to any restrictions applied by a *fund sponsor* and subject to applicable law). If you are married when you die, your spouse will be your *beneficiary*, unless you have elected otherwise and your spouse has consented to your election. If you die after beginning to receive payment of your *Plan* account, your *Plan* account will be paid in accordance with the form of payment you have elected.

## **IN-SERVICE CASH WITHDRAWALS**

In certain circumstances, you are permitted to make withdrawals from your *Plan* account while you are still employed by the *Health System* or a *Health System* affiliate. A withdrawal from your *Plan* account while you are still actively employed may have

special tax consequences. (See the section entitled “Paying Taxes on Your Benefit and Rollover Rights,” below.) You may request a withdrawal from your *Plan* account by contacting the *third party administrator*.

**Age 59½**

Once you reach age 59½, you may make a withdrawal from your *Plan* account, not more than once per *plan year*, up to the total vested portion of your *Plan* account. Your withdrawal cannot include any *Roth contributions* (or associated investment earnings) unless it would satisfy the requirements of a qualified distribution (as defined on page 10).

**Rollover Contributions**

At any time, but not more than once per *plan year*, you may withdraw from your *Plan* account any amount that you previously rolled over to the *Plan* (and any earnings on that amount). Your withdrawal cannot include any *Roth contributions* (or associated investment earnings) unless it would satisfy the requirements of a qualified distribution (as defined on page 10).

**Automatic Enrollment Contributions**

If you were automatically enrolled in the *Plan*, you may withdraw your automatic contributions to the *Plan* within 90 days following your first salary reduction contribution. The amount distributed cannot be rolled over and will be subject to federal income tax, but no early withdrawal penalties. Any employer matching contributions associated with the automatic contributions that you withdrew will be forfeited.

**Hardship**

If permitted under the *funding vehicle* in which you have invested your contributions, you may withdraw from your *Plan* account in the event of a financial hardship. All pretax contributions and rollover contributions in your *Plan* account are eligible for hardship withdrawal. *Roth contributions*, employer matching contributions and investment earnings on your voluntary pretax contributions are not available for hardship withdrawal. To qualify for a hardship withdrawal, you must show and the *plan administrator* must determine that you have an immediate and heavy financial need and the withdrawal is necessary to satisfy that need.

An “immediate and heavy financial need” means one (or more) of the following:

- certain medical expenses for you, your spouse, your dependents or your primary designated *beneficiary* under the *Plan*;
- the purchase (excluding mortgage payments) of your

principal residence;

- payment of tuition and related educational fees for the next twelve months of post-secondary education for you, your spouse, your dependents or your primary designated *beneficiary* under the *Plan*;
- payments necessary to prevent eviction from your principal residence or foreclosure on your mortgage;
- burial or funeral expenses for your spouse, your parents, your dependents or your primary designated *beneficiary* under the *Plan*; or
- expenses for the repair of casualty damages to your principal residence that would qualify for a casualty deduction under the Internal Revenue Code.

A withdrawal is necessary to satisfy an immediate and heavy financial need if the need cannot be relieved through reimbursement or compensation by insurance, by reasonable liquidation of your assets, by stopping *Plan* contributions, or by other distributions or non-taxable loans.

### **PAYING TAXES ON YOUR BENEFIT AND ROLLOVER RIGHTS**

Generally speaking, if you choose an annuity form of benefit with monthly payments, each payment will be fully taxable as ordinary income for federal income tax purposes in the year in which you receive it. You will be asked to make an election about income tax withholding.

If you receive your *Plan* account as a single sum payment, the payment will be fully taxable as ordinary income for federal income tax purposes when you receive it, unless you roll it over to a traditional IRA or another employer's eligible retirement plan. Amounts received as a hardship withdrawal are not eligible for rollover. If you receive a single sum payment before age 59½, your payout (if not rolled over) may be subject to an additional 10% penalty tax. However, the penalty tax may not apply if you receive the single sum payment:

- upon your retirement at age 55 or later;
- upon disability or death; or
- as a result of a qualified domestic relations order (see the Section entitled “Qualified Domestic Relations Orders,” below).

If you elect to receive your *Plan* account in a single sum payment, federal law requires that 20% of the payment be withheld automatically for federal income tax, unless you directly roll over the amount to a traditional IRA or another employer’s eligible retirement plan. The withheld amount will be applied toward your federal income taxes for the year in which you receive the payment.

You must provide your written election to the *third party administrator* to have your single sum payment rolled over directly to a traditional IRA (or another eligible retirement plan that accepts rollovers) to avoid 20% withholding. You will not pay federal income taxes until you take the money out of the traditional IRA or other plan, at which time you will pay ordinary federal income tax (and, if applicable, the additional 10% penalty tax for premature distributions) on the money you receive. If you die and you have a surviving spouse who will receive a single sum payment of all or a portion of your benefit, he or she may roll it over to an IRA or another employer’s eligible retirement plan. If you die and your designated *beneficiary* is someone other than your spouse, he or she may directly roll over your benefit under the *Plan* to an IRA.

If your *Roth contributions* have been invested in the *Plan* (or another similar arrangement) for at least five years and you are at least age 59 ½ on the date of distribution, the amount deferred as *Roth contributions* (along with any associated investment earnings) will be distributed to you tax-free.

You (and your *beneficiary*) also may roll over your *Plan* account to a Roth IRA. Such rollovers are subject to federal income tax when made, except for the portion of the rollover that is attributable to *Roth contributions*. You are solely responsible for the income tax withholding and reporting on rollovers to a Roth IRA, although you may enter into a voluntary tax withholding agreement with the *Health System* prior to the distribution. Note that this option may not be available to you during 2009 if your adjusted gross income exceeds certain limits.

Because tax laws are complex and subject to change, this

information is intended only as a general guideline based on our understanding of the federal income tax law in effect at the beginning of 2009. State and local tax laws may also apply. For your own protection, you should consult a tax specialist before you receive any *Plan* money that is subject to taxation. All *Plan* benefits will be paid to you (or your *beneficiary*) minus any income tax withholding that may be required by federal, state or local laws.

## **LOANS**

If permitted under the *funding vehicle* in which you have invested your contributions, you may borrow from your *Plan* account. To request a loan, or to obtain more information about borrowing from the *Plan*, contact the *third party administrator*. The *third party administrator* may charge a loan origination fee in connection with a *Plan* loan.

### **Amount that may be Borrowed**

The maximum amount that you can borrow from the *Plan* is the lesser of (1) \$50,000 (reduced by your highest outstanding loan balance over the past 12 months) or (2) 50% of the value of your *Plan* account (excluding *Roth contributions* and any associated investment earnings). The minimum amount of any loan from your *Plan* account is \$1,000. You may have only one *Plan* loan outstanding at a time. *Roth contributions* and any associated investment earning are not available for loans.

### **Interest Rate**

The rate of interest on loans from the *Plan* will be a reasonable rate determined by the *plan administrator* (or the *fund sponsor*) from time to time to be commensurate with the prevailing interest rate charged on similar commercial loans. The rate of interest will remain fixed for the life of the loan.

### **Term of Loan**

You must select the term of your loan (up to 60 months) at the time you apply for the loan. You may repay the entire outstanding balance of your loan at any time, without penalty.

### **Repaying a Loan**

Generally, your loan will be repaid in installments through automatic payroll deductions, which you must authorize at the time you apply for the loan. If you stop making required loan repayments (for example, because you leave the *Health System* before your loan is repaid), your outstanding loan balance, including accrued interest, will become due and payable immediately. If you do not repay this amount within the time requested, the amount owed will be deducted from your *Plan* account before the *Plan* makes any distribution to you. The amount of this deduction will be treated as a taxable distribution

to you for the year in which the deduction is made.

## **QUALIFIED DOMESTIC RELATIONS ORDERS**

Your *Plan* account is intended only for you or your *beneficiary*. It generally cannot be assigned, attached or seized by any creditors except with respect to *Plan* loans or a federal income tax levy.

If your spouse, former spouse, child or other dependent obtains a court order ordering the *Plan* to pay some or all of your *Plan* account to him or her pursuant to a divorce, child support action or other kind of domestic relations proceeding, the *Plan* can honor the terms of the order (and pay all or part of your *Plan* account to that person) only if the order is a “qualified domestic relations order” as defined by law.

The *Plan* has procedures for determining whether a domestic relations order must be honored (that is, whether all of part of your *Plan* account legally must be paid to a third party). You may obtain copies of these procedures, as well as other information relevant to processing qualified domestic relations orders, without charge, from the *plan administrator*.

## **ADMINISTRATIVE INFORMATION**

### **Future of the Plan**

The *Health System* expects to continue the *Plan*, but has the right to change or terminate it at any time. No decision to change or end the *Plan* will deprive you of your vested benefits earned up to the date of change or termination, but projected benefits (benefits that would have been earned had the *Plan* not been changed or terminated) will not be protected. You will be told how the change affects your benefits, if at all.

### **Plan is Not an Employment Contract**

The *Plan* should at no time be considered a contract of employment between you and the *Health System* or a *Health System* affiliate. It does not guarantee you the right to continue your employment, nor does it limit the *Health System*'s (or the affiliate's) right to discharge you or any other employee with or without cause.

### **Benefits are Not Insured**

The Pension Benefit Guaranty Corporation (PBGC), a federal agency, was established to guarantee benefits under certain types of retirement plans. The PBGC does not, however, insure benefits under a “defined contribution plan” such as this one.

## **YOUR LEGAL RIGHTS**

### **Your Rights Under ERISA**

As a participant in the *Plan*, you are entitled to certain rights and protections under the Employee Retirement Income Security Act

of 1974 (ERISA). ERISA provides that all *Plan* participants shall be entitled to:

- Examine (without charge) at the *plan administrator's* office and at other specified locations, all documents governing the *Plan*, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the *Plan* with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration
- Obtain, upon written request to the *plan administrator*, copies of all documents governing the operation of the *Plan*, including insurance contracts, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The *plan administrator* may make a reasonable charge for 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.
- Receive a pension benefit statement at least once every calendar quarter. Your statement will provide the total value of your *Plan* account, including any contributions made during the quarter and investment earnings or losses. The *plan administrator* is required to provide you with an explanation of any limitations or restrictions on your right under the *Plan* to direct the investment of your account.

In addition to creating rights for *Plan* participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate 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, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining retirement income or exercising your rights under ERISA.

## **ENFORCING YOUR RIGHTS**

### **Claims Procedure**

If your claim for benefits 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.

## **Appealing a Denied Claim**

If your claim for benefits from the *Plan* is denied in any way, the *plan administrator* will notify you in writing within 90 days of receipt of the claim. The notice will tell you:

- the specific reason(s) why the claim was denied;
- the *Plan* provisions on which the denial is based;
- what other material is needed to correct your claim and why it is needed; and
- how you can get your claim reviewed again.

If you disagree with what the notice says, you may file a written request for reconsideration, no later than 60 days after receiving the notice, with the *plan administrator*.

The *plan administrator* will review your appeal within 60 days, unless special circumstances require an extension. In that case, the *plan administrator* may take up to 120 days, if you are notified of the delay before the end of the first 60-day period. If you do not hear from the *plan administrator* in the first 60 days, you may assume your appeal has been denied. If the *plan administrator* notifies you that an extension is needed, and you do not get a final decision within 120 days, you may also assume your appeal has been denied. While your appeal is pending, you have the right to review *Plan* documents and to submit issues and comments in writing. You may have a lawyer or other representative present your case.

## **Your Legal Rights**

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

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

fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

**Questions**

If you have any questions about your *Plan*, you should contact the *plan administrator*. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the *plan administrator*, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, EBSA, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210. You may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-800-998-7542. You may also seek assistance with the Plan by calling EBSA toll-free at 1-866-444-EBSA or by directing electronic inquiries to EBSA's website at [www.askebsa.dol.gov](http://www.askebsa.dol.gov).

**IMPORTANT INFORMATION ABOUT THE PLAN**

**Plan Name and Number** Johns Hopkins Health System Corporation  
403(b) Plan (No. 001)

**Plan Sponsor** Johns Hopkins Health System Corporation  
600 North Wolfe Street  
Baltimore, MD 21287

**Employer Identification Number** 52-1465301

**Plan Year** January 1 to December 31

**Plan Type** Defined Contribution 403(b) Plan

**Plan Administrator** Administrative Committee  
Johns Hopkins Health System Corporation  
  
c/o Vice President of Human Resources,  
Johns Hopkins Health System Corporation  
600 North Wolfe Street  
Baltimore, MD 21287  
(410) 955-6208

**Agent for Service** Vice President of Human Resources,  
Johns Hopkins Health System Corporation

600 North Wolfe Street  
Baltimore, MD 21287

Service of legal process may also be made upon the *Plan* trustee.

**Plan Custodian**

Wilmington Trust Company  
1100 North Market Street  
Wilmington, Delaware 19890

**Plan Administration**

The Johns Hopkins Health System Corporation sponsors the *Plan* and has appointed the *plan administrator* to administer it. The *plan administrator* resolves any questions that arise about the *Plan*, administers the *Plan* in a uniform way and sets the rules for operating the *Plan*. The *plan administrator* has delegated most of the day-to-day administration of the *Plan* to the *Plan's* recordkeeper, which is:

Lincoln National Life Insurance Company  
1300 Clinton Street  
Ft. Wayne, IN 46802  
(800) 234-3500  
[lincolnalliance.com](http://lincolnalliance.com)