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An Introduction to This Booklet

Regardless of what your plans are for your future or when you plan to retire, reaching your future financial goals requires careful planning today.

UPMC is committed to helping you save for your retirement. That’s why the UPMC Retirement Program, which consists of the Savings Plan and Cash Balance Plan, was developed. This booklet contains details about both plans.

To Whom This Booklet Applies
A separate addendum entitled “Participating Employers” accompanies this booklet. The Who Is Eligible subheads of that addendum list the entities that currently participate in the Community version of the plans, the entities that are scheduled to participate, and the effective date of participation. The addendum also lists the other entities that currently participate in the plans. If for some reason you don’t receive the separate addendum with this booklet or you want an additional copy, call the UPMC Retirement Line or view the electronic copy on UPMC Infonet.

This booklet is the Community version of this material. If you would like a copy of the other versions that exist, you can request a copy from the UPMC Retirement Line or view the electronic copy on UPMC Infonet.

About the UPMC Retirement Website
By logging on to Your Benefits Resources™ (http://resources.hewitt.com/upmc), staff can go online to change fund selections, check account balances, and review detailed financial information tailored to meet individual and family needs. As a participant in the UPMC Retirement Program, you can access Your Benefits Resources™ 24 hours a day, seven days per week. Staff can access the Web site from a home computer or by clicking on the Your Benefits Resources™ link posted on UPMC Infonet.

About the UPMC Retirement Line
The UPMC Retirement Line is available 24 hours a day, except Sunday from 2:00 a.m. to 1:00 p.m., Eastern Time. You can reach the UPMC Retirement Line by calling:

Toll-Free: 1-877-206-8264
International: 1-847-883-0813

When you call, you access the automated Interactive Voice Response (IVR) system. Through this system you can perform many Savings Plan transactions, you can check your cash balance value, request an estimate of your benefit, or you can select *0 to speak with a UPMC Retirement Center Representative.
Representatives are available Monday through Friday, 9:30 a.m. to 6:00 p.m., Eastern Time, except for the following holidays:

- New Year’s Day;
- Memorial Day;
- Independence Day;
- Labor Day;
- Thanksgiving;
- The day after Thanksgiving;
- The days before and after Christmas;
- and Christmas Day.

You can also fax information to the UPMC Retirement Center at 1-281-363-9049; or mail material to this address:

UPMC Retirement Center
Dept. U7825
2601 Research Forest Drive
The Woodlands, TX 77381

**A Final Word About This Booklet**

This booklet is your summary plan description (SPD) and highlights the main provisions of the:

- UPMC Savings Plan (the 401(a) and 403(b) Plans); and
- UPMC Basic Retirement Plan (the Cash Balance Plan).

However, it doesn’t provide a detailed description. Formal legal provisions of each may be found in the respective official plan documents, which you may review by requesting a copy from the plan administrator. Every attempt has been made to ensure the accuracy of the information in this booklet. However, if there’s any discrepancy between the contents of this booklet and the official plan documents, the plan documents always govern.

The terms of the plans can’t be amended or modified by oral statements. Only the plan administrator or the Retirement Committee can interpret the terms of the plans. Even though UPMC intends to continue the plans indefinitely, UPMC may amend or terminate the plans at any time without prior notice or employee consent. This document provides a summary of the plans and replaces all prior documents (except for the official plan documents) related to the plans.
An Introduction to Your Savings Plan

UPMC sponsors two savings plans:

- **The 401(a) Plan** — Generally, the 401(a) Plan is applicable to “for-profit” entities within UPMC and contains employer matching contributions as well as employee pre-tax and after-tax contributions. For “not-for-profit” entities, the 401(a) Plan contains employer matching contributions and employee after-tax contributions.

- **The 403(b) Plan** — The 403(b) Plan applies to the “not-for-profit” entities. It allows for only employee pre-tax contributions.

Throughout this section of the booklet, we generally refer to both plans as the “Savings Plan.”

By enrolling in the plan, which is completely voluntary, you can build additional financial security for retirement or help meet your family’s future financial needs. If you decide to participate, here are some highlights of how the plan works:

- You decide how much to contribute. You can save from 1% to 100% of your pay on a pre-tax basis, an after-tax basis, or a combination of both. The IRS and/or plan administrator may impose limits to your pre-tax and/or after-tax contributions.

- Once you become eligible for matching contributions, your employer contributes $0.50 for each dollar you save each pay period — up to 4% of your pay — for a total contribution of up to 2% of your pay.

- You decide how your account should be invested. The plan offers a variety of investment choices — from conservative, to moderate, to aggressive.

- Pre-tax contributions and all investment earnings grow — tax-free — for as long as they stay in your account.

- When you leave UPMC, you can take a distribution at any time.

- You may take a loan or withdrawal — under certain circumstances — from your account while you’re working.

This summary plan description explains, in easy-to-understand language, how the plan works as of January 1, 2003. Please read it carefully and share it with your family. Then, store it in a safe place with your other benefits information. If you have questions this booklet doesn’t answer, visit the UPMC Retirement Web site http://resources.hewitt.com/upmc or call the UPMC Retirement Line at 1-877-206-8264.
Participating in the Plan

Who Is Eligible
You’re eligible to contribute to the Savings Plan as soon as you begin work if you’re a full-time or part-time staff member or physician of a participating entity or affiliate of UPMC. A separate addendum titled “Participating Employers” accompanies this booklet. The Who Is Eligible subhead of that addendum lists the entities that currently participate, the entities that are scheduled to participate, and the effective date of participation.

Enrollment is not automatic — you must enroll by visiting the UPMC Retirement Web site http://resources.hewitt.com/upmc or by calling the UPMC Retirement Line at 1-877-206-8264 before you can start contributing.

You’re not eligible to participate in the plan if you’re:

- A temporary staff member (except for the 403(b) Plan and participants who were hired prior to January 1, 2002 and meet the eligibility requirements under this plan);
- A leased staff member (unless you're leased from one participating group to another participating group);
- An independent contractor;
- An intern (except for the 403(b) Plan);
- A nonresident alien;
- A fellow or other in a student or educational capacity;
- A medical resident other than at UPMC St. Margaret, enrolled in a graduate medical or education program (except for the 403(b) Plan); or
- A union staff member whose collective bargaining agreement doesn’t specifically provide for plan participation; or
- An individual identified as a “Cotton Club” employee on the payroll records of UPMC Braddock.

You only contribute to the plan for which your location is eligible. You’re allowed to make pre-tax contributions to the 401(a) Plan if you work at a for-profit entity or if you work at the University of Pittsburgh Physicians (UPP). You’re allowed to make pre-tax contributions to the 403(b) Plan if you work at a not-for-profit entity.
Regardless of which plan your pre-tax contributions are made to, all after-tax and employer matching contributions are made to the 401(a) Plan.

**Please note:** If you’re a resident physician other than at UPMC St. Margaret, you’re not eligible for employer matching contributions. Resident physicians at UPMC St. Margaret are eligible for employer matching contributions.

**Enrolling in the Plan**
Participation in the plan is completely voluntary. You can enroll when you’re first eligible, or at any later date. Once you enroll, your contributions start as soon as administratively possible.

To enroll, you can visit the UPMC Retirement Web site at [http://resources.hewitt.com/upmc](http://resources.hewitt.com/upmc) or call the UPMC Retirement Line toll-free at 1-877-206-8264. When you enroll, you need to determine how much you want to contribute on a pre-tax and/or after-tax basis (from 1% to 100% in 1% increments). You also need to decide in which funds you want to invest your money. Investment elections must be made in whole percentages. More information on contributions and investment elections is provided later in this booklet.

**Naming a Beneficiary**
When you enroll, you’re also asked to name a beneficiary — someone who receives the value of your plan account if you die — by filling out a Beneficiary Designation Form. You receive this form shortly after you join the plan or you can complete via the UPMC Retirement Web site.

Under current law, your spouse (if you’re married) automatically is your beneficiary. If you want to name someone other than your spouse as your beneficiary, your spouse must consent to your choice by signing the Beneficiary Designation Form in the presence of a notary public. If you’re married on the first day of the year you turn age 35, your spouse becomes the sole beneficiary of your benefit from the plan — regardless of any prior beneficiary elections you have made — until you once again name someone other than your spouse as beneficiary. Your spouse must again consent in writing to your naming someone else as a beneficiary in the presence of a notary public. (The notary public witnesses your spouse’s written consent.)

If you don’t name a beneficiary, or if your named beneficiary dies before you do, your account value is paid in the following order to the first of these to survive you:

- To your surviving spouse; or, if none
- To your natural or adopted children, in equal shares (per stirpes); or, if none
- To your parents, in equal shares; or, if none
- To your siblings, in equal shares; or, if none
- To your estate.
Be sure to keep your beneficiary designation and your beneficiary’s address up to date. To change your beneficiary information, request a Beneficiary Designation Form via the UPMC Retirement Web site http://resources.hewitt.com/upmc or by calling the UPMC Retirement Line toll-free at 1-877-206-8264.

If You Transfer
You remain a plan participant if you already contribute to the plan and transfer from one participating affiliate to another. However, your ability to make contributions ends if you transfer to a nonparticipating location. Also, if you transfer from a location eligible to participate in the 403(b) Plan to a location eligible to participate in the 401(a) Plan (or vice versa), your pre-tax contributions will change from the 403(b) Plan to the 401(a) Plan (or vice versa).

If you later transfer back to a participating affiliate and want to begin making contributions, you’re required to re-enroll.

See the Who Is Eligible subhead of the separate addendum to this booklet for a list of participating entities for which this booklet applies, or request a copy of the addendum by calling the UPMC Retirement Line or view the electronic copy on the UPMC Infonet.

Plan Costs
The investment results of each investment option are adjusted to reflect payment of a portion of the plans reasonable administrative expenses, if any, associated with the plans. The plans’ share of any administrative expenses are allocated proportionately among all investment options and reduce the net asset values (NAV) of each investment option. Administrative fees are commonly expressed as a stated basis percent of asset values.
Some Facts About Service

In essence, service means the length of time you work for UPMC or an affiliate or member employer of UPMC. However, for plan purposes, years of eligibility service and vesting service are counted by hours of service.

**Hours of Service**

You earn hours of service for each hour you’re:

- Paid or entitled to payment for actively working;
- Directly or indirectly paid for time away from work due to vacation, holidays, illness, jury duty, or an approved leave of absence;
- Serving military duty (as long as you’re reemployed under laws governing veterans’ reemployment rights); and
- Entitled to back pay.

However, with the exception of military leave, you don’t receive more than 501 hours of service for any single unpaid period away from work. Hours of service credit for military leave will depend on the length of the leave and whether or not you return to work within the applicable guidelines.

In addition, you don’t earn hours of service for time you’re away from work and receiving payments under:

- Workers’ compensation;
- Unemployment compensation; or
- Disability insurance laws.

**Eligibility Service**

Eligibility service is used to determine your eligibility to receive employer matching contributions. You need one year of eligibility service to be eligible to receive employer matching contributions.

You’re credited with one year of eligibility service on the day you are paid for 1,000 hours of service in your first 12 months of employment or in any later calendar year.
**Vesting Service**

You’re fully vested — which means you have full ownership rights — in your employer matching contributions after you earn three years of vesting service. You’re always fully vested in your pre-tax and after-tax contributions.

You earn one year of vesting service for each calendar year in which you’re credited with 1,000 hours of service.

You are also 100% vested in your employer matching contributions on the date:

- You reach age 65 (while actively employed);
- You become totally and permanently disabled (while actively employed);
- You die (while actively employed); or
- The plan is partially or fully terminated.

If your employment with UPMC or an affiliate ends before you’re vested, you forfeit any employer matching contributions credited to your account on the earlier of the day you:

- Receive a distribution from your account; or
- Have a one-year break in service (as defined below).

If you return to employment with UPMC or an affiliate before you have five consecutive one-year breaks in service, your forfeited employer matching contributions will be restored to your account.

UPMC uses forfeited employer matching contributions as a credit against future matching contributions and plan administration expenses.

**Break in Service**

You stop earning service when you have a break in service. You have a break in service on the:

- Day you quit, retire, are discharged, or die; or
- First day of your approved leave of absence if you fail to return to employment with UPMC or an affiliate upon the expiration of your leave or; if your leave is for military duty, within the period allowed under laws governing veterans’ reemployment rights.

**One-Year Break in Service**

You have a one-year break in service if you have a break in service and are credited with less than 501 hours of service in a calendar year. You have an additional one-year break in service for each consecutive year following a break in service that you have less than 501 hours of service.
Maternity/Paternity and FMLA Leaves
To prevent a one-year break in service, you receive credit for up to 501 hours of service for time you’re away from work due to an approved maternity or paternity leave or a leave of absence that’s covered under the Family Medical Leave Act (FMLA) of 1993.

If you don’t need these hours to prevent a break in service in the year in which your leave begins, they’re credited in the next calendar year.

Maternity and paternity leave means you’re away from work due to:

- Your pregnancy;
- The birth of your child;
- The placement of a child with you for adoption; or
- Caring for a child beginning immediately after birth or placement for adoption.

If You Return to Work
In the event you leave UPMC or an affiliate and later are rehired, special rules apply to your status in the Savings Plan. In general, your participation and vesting service earned before your break in service are restored immediately upon your return to work if you were:

- 100% vested in your benefit when you left UPMC or an affiliate; or
- Not vested in your benefit but you return to work before five consecutive one-year breaks in service.

In any other case, your participation and prior service are forfeited when your employment ends. Upon your return to work, your participation begins once you meet the eligibility requirements, and you begin earning service just like any new staff member.
Contributions to Your Account

You can contribute from 1% to 100% (in whole percentages), subject to IRS and/or plan limits, of your eligible pay to the plan. You can contribute on a pre-tax or after-tax basis, or a combination of both. Contributions to the plan are held in separate subaccounts, as described below.

Eligible Pay
For plan purposes, “eligible pay” means your W-2 pay, plus:

- Any salary reduction for pre-tax contributions to the Savings Plan;
- Any salary reduction for pre-tax contributions to any other benefit programs of UPMC or its affiliates; and
- Final compensation (such as pay for unused paid time off) paid after your severance of employment.

“Eligible pay” doesn’t include:

- Any taxable fringe benefits
- Severance pay; or
- Military enhanced pay benefit

In some cases, government limits may restrict the amount of pay you can contribute. For example, the IRS limits the amount you may contribute on a pre-tax basis to any savings plan or plans. In 2003, this limit is $12,000 ($14,000 if age 50 or older by 12/31/03). If these limits affect you, you will be notified.

Pre-Tax Contributions
As mentioned earlier, if you work at a “for-profit” entity, your pre-tax contributions are made to the 401(a) Plan. If you work for a “not-for-profit” entity, your pre-tax contributions are made to the 403(b) Plan, unless you work at the UPP, in which case your contributions are also made to the 401(a) plan.

Pre-tax contributions are deducted from your pay before federal taxes are withheld and before state taxes are withheld, except for persons living in Pennsylvania. (Savings Plan contributions are subject to Pennsylvania state tax.) This reduces your taxable income for the year. As a result, you pay less federal income tax for the year, and you don’t pay taxes on your pre-tax contributions until you take a distribution from the plan.
However, as described later in this booklet, certain legal limits can prevent you from contributing the full 100% on a pre-tax basis.

**After-Tax Contributions**

After-tax contributions are deducted from your pay after taxes are withheld. These contributions may be made to the 401(a) Plan regardless if you work for a “for-profit” or “not-for-profit” entity. Even though after-tax contributions don’t reduce the amount of your current taxable income, the earnings on these contributions grow tax deferred until you take a distribution from the plan.

Note: Temporary employees (except participants who were hired prior to January 1, 2002 and meet the eligibility requirements under the 401(a) Plan) are not eligible to elect after tax contributions.

**Employer Matching Contributions**

Employer matching contributions are made to the 401(a) Plan — regardless if you work for a “for-profit” or “not-for-profit” entity. Once you become eligible, these employer matching contributions equal $0.50 for each dollar you contribute on a pre-tax (including catch-up contributions) and/or after-tax basis, up to the first 4% of pay you contribute each calendar year. So, if your 4% contribution equals $1,000, the employer matching contribution equals $500.

**Please note:** If you're a temporary employee or resident physician, other than at UPMC St. Margaret, you're not eligible for employer matching contributions.

You’re eligible to receive employer matching contributions beginning with the payroll date following the January 1 or July 1 after you meet both of these conditions:

- You reach age 21; and

- You earn 1,000 hours of service during your first anniversary year of employment with UPMC (or an affiliate) or in any later calendar year. (Hours of service and eligibility service are described in detail in the *Some Facts About Service* section, page 8.)

Once you’re eligible for employer matching contributions, you continue to receive them until you stop contributing to the plan.

You earn ownership rights to — meaning you become **vested** in — employer matching contributions based on your years of service with UPMC, as described in the *Some Facts About Service* section, page 8.

**Other Employer Contributions**

The Retirement Committee — in its sole discretion — may make another employer contribution to your account after the end of the plan year. This contribution **may** be made to satisfy the restrictions placed on pre-tax contributions. You’re 100% vested in your other employer contributions (if any are made), which appear as a separate subaccount on your statement.
**Rollover Contributions**
If, before joining UPMC, you were a participant in an eligible retirement plan or IRA, you may be able to roll over your distribution from that plan or IRA into the Savings Plan. You must roll over your distribution within 60 days after you receive your distribution from the former plan or IRA, unless your distribution is directly rolled over from the former plan into the Savings Plan. Rollover amounts are credited to a separate subaccount in your name.

In addition, if you initially roll over your distribution into an Individual Retirement Account (IRA) established for that purpose, you may be able to roll the distribution over again into this plan.

Call the UPMC Retirement Line to find out whether a distribution from your prior retirement plan qualifies to be rolled over.

**If You Leave UPMC**
If you participate in the UPMC Cash Balance Plan, you may also roll over any distribution from that plan — upon your termination of employment — into the 401(a) Plan.

**Changing Your Contribution Rate**
You can change the amount you’re contributing to the plan at any time. The change takes effect as soon as administratively possible after you make your change via the UPMC Retirement Web site [http://resources.hewitt.com/upmc](http://resources.hewitt.com/upmc) or by calling the UPMC Retirement Line at 1-877-206-8264.

If you stop contributing, you can start contributing again at any time.

**In-Plan Transfers**
If, while employed by UPMC or an affiliate, you previously contributed to one of the UPMC or affiliate retirement programs, you may move those contributions into this new Savings Plan by requesting an in-plan transfer provided the prior retirement plan permits an in-plan transfer. You can make an in-plan transfer at any time, as long as you’re eligible to make pre-tax contributions to the Savings Plan.

To make an in-plan transfer, request an In-Plan Transfer Application Form via the UPMC Retirement Web site or by calling the UPMC Retirement Center. Complete the form and send it to the appropriate investment manager. The address is on the form.

In-plan transfers must be made in cash, and can be split among the investment funds in 1% increments. Visit the UPMC Retirement Web site or call the UPMC Retirement Line to make your investment elections for in-plan transfers. If you don’t, your in-plan transfer amount is deposited according to the investment elections currently on file. If investment elections aren’t on file, your in-plan transfer is automatically deposited in the Fidelity Cash Reserve Fund.

If you have funds invested with TIAA-CREF or Citistreet, call TIAA-CREF or Citistreet directly to request the required form to do an in-plan transfer to the UPMC Savings Plan.
Investing Your Account

About Your Investment Options
The plan offers a wide range of investment options for your contributions. You choose the percentage you want to invest — in 1% increments — in one or more of the available funds. However, your total investment percentages must equal 100%.

For example, you can invest 5% in each of two funds; 20% in two more funds; and 50% in another fund. Or, you can invest 3% in 10 funds and 70% in another fund — it’s your choice.

The investment elections you make when you enroll apply to your pre-tax contributions, your after-tax contributions, the employer matching contributions, any other employer contributions, loan repayments, and any in-plan transfers. The election you make applies to both the 403(b) and 401(a) Plans. However, you can make separate investment elections for any amounts you roll over from another retirement plan or from an IRA; as well as for any in-plan transfers.

Risk Versus Return
The investment options provide a wide range of risk, liquidity, and investment return opportunity. Be sure to refer to each fund’s prospectus for more information.

Past fund performance doesn’t guarantee or predict future performance, and each investment option’s rate of return depends on various factors. The market price of securities held in your account may go up or down, and there’s no guarantee of how much your investments will be worth at the time you request a distribution.

An Important Note
Neither the UPMC Retirement Center nor UPMC can recommend one investment option over another. You must make your own decisions about plan investments, and your selection should take into account your own personal financial situation.

This plan is intended to be a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 (ERISA) and related Department of Labor regulations. By complying with these rules, the fiduciaries of the plan are relieved of liability for any losses that directly result from the particular investment decisions you make (for example, liability for the performance of a fund in which you elect to invest).

Visit the UPMC Retirement Web Site http://resources.hewitt.com/upmc or call the UPMC Retirement Line toll-free at 1-877-206-8264 to request prospectuses for the investment options offered by the plan.
**Available Funds**
The plan offers a wide range of investment options so that you can choose the mix that best meets your needs. The following funds are available:

- Fidelity Cash Reserve Fund;
- Vanguard Short-Term U.S. Treasury Fund;
- Vanguard Total Bond Market Index Fund;
- PIMCO Total Return Fund — Institutional;
- Vanguard Wellington Fund;
- Fidelity Spartan U.S. Equity Index Fund;
- Vanguard Windsor II Fund;
- Growth Fund of America
- Sound Shore Fund;
- Baron Asset Fund; and
- Templeton Foreign Fund — Class A.

To obtain the most up-to-date list of available funds, visit the UPMC Retirement Web site [http://resources.hewitt.com/upmc](http://resources.hewitt.com/upmc) or call the UPMC Retirement Line at **1-877-206-8264**.

**Changing Your Investment Elections**
You may change your investment elections at any time by visiting the UPMC Retirement Web site or by calling the UPMC Retirement Line. By changing your investment elections, you redirect where you want to deposit your future contributions. Your change is posted immediately, and it takes effect the next business day.

**Fund Transfers**
You may also transfer your existing amounts from one fund to another — in 1% or whole-dollar increments — once each day. To make a fund transfer, visit the UPMC Retirement Web site or call the UPMC Retirement Line.

If your request is received before 4:00 p.m. Eastern Time (or at the close of the stock market if before 4:00 p.m.), the transfer takes effect that day. Otherwise, your transfer takes effect the next business day (or when the stock market reopens).

**Account Valuations and Statements**
The plan trustee, Mellon Bank, determines your account value each day. You automatically receive in the mail, shortly after the end of each calendar quarter, a statement showing your account value. However, you may also request a statement at any time by calling the UPMC Retirement Line.
When Your Account Is Paid

You’re eligible for a distribution from your account when your employment with UPMC or an affiliate ends for any reason, including total and permanent disability. Once you’re eligible for a distribution, you may:

- Request a lump-sum payment of the vested portion of your account;
- Request that installment payments be made;
- Defer payment to a later date (but not beyond the April 1 of the year after the year in which you reach age 70 1/2).

If you defer payment, your account continues to be invested and is credited with investment gains or losses. In addition, you have access to the same investment funds as active participants, along with the same rights to change the percentage you have invested in each fund. However, you may not make additional contributions (except a rollover from the UPMC Cash Balance Plan or other eligible retirement plan or IRA) or request loans or hardship withdrawals from your account.

Visit the UPMC Retirement Web site [http://resources.hewitt.com/upmc](http://resources.hewitt.com/upmc) or call the UPMC Retirement Line at [1-877-206-8264](tel:1-877-206-8264) to request a distribution. You’ll receive a form, which you must complete and return to begin the distribution process.

The Amount You Can Receive

If you’re fully vested, you receive the full value of your account. The full value of your account includes your pre-tax contributions, your after-tax contributions, employer matching contributions, other employer contributions (if any), any rollover contributions, as well as the earnings on these contributions.

If you leave UPMC before you’re fully vested, you receive the full value of your pre-tax contributions, after-tax contributions, any rollover contributions, any other employer contributions, and the earnings on these contributions. Employer matching contributions, and the earnings on these contributions, are forfeited if you terminate your employment before you’re vested.
How Your Account Is Paid

The way you receive your account payout depends on the value of your vested account balance (excluding rollover contributions):

- **5,000 or less** — You receive a single lump-sum payment as soon as administratively possible after your employment terminates. If your account isn’t entirely invested with current investment funds of the UPMC Savings Plan (e.g., you have other assets with a UPMC or affiliate 403(b) plan and could have made an in-plan transfer, but didn’t), you need to consent to the distribution.

- **More than $5,000**

  — You may receive a single lump-sum payment as soon as administratively possible after your employment terminates. If your account isn’t entirely invested with current investment funds of the UPMC Savings Plan (e.g., you could have made an in-plan transfer, but didn’t), you need to consent to the distribution.

  — You have the option to keep your account invested with the UPMC Savings Plan.

**If You Participate in Both Plans**
If you participate in the 401(a) Plan and the 403(b) Plan, you must decide what to do with the balance in each. You may choose to take different forms of payment from each plan, or take a distribution from one plan and defer payment under the other plan until a later date.

**If You Die Before Your Distribution Begins**
If you die before beginning a distribution of your account and your beneficiary isn’t your spouse, the full value of your account is paid to your beneficiary in a lump-sum payment as soon as practical following your death.

If your beneficiary is your surviving spouse, he or she may choose to receive the value of your account balance through the same optional payment methods available to you. Also, your surviving spouse can defer payment up until April 1 of the year following the year you would have turned age 70½.

**If You Receive a Lump-Sum Payment or Installments for Less Than 10 Years**
Whether you receive an immediate distribution of your account, or defer distribution to a later date, the taxable portion of any lump-sum distribution or installment payment over less than 10 years that you receive from the plan is eligible for rollover as follows:

- Employer matching contributions, earnings on after-tax contributions, and other employer contributions (if any) also can be rolled over to another eligible retirement plan or IRA.
• Pre-tax amounts distributed from the 401(a) Plan or 403(b) Plan may be rolled into another eligible retirement plan or IRA.

• A lump-sum distribution from the 401(a) Plan can be rolled into the Cash Balance Plan.

• After-tax contributions may be rolled over to an IRA or to a qualified defined contribution plan under Code section 401(a) or 403(b).

Because different guidelines apply for the plans regarding what distributions may be rolled into where, be sure to verify whether the other plans (or IRA) will accept the rollover before you make the request. You may roll over part or all of the taxable portion of your rollover-eligible distribution.

If payment is made in a lump sum or installment payments for less than 10 years — to the extent you don’t elect a direct rollover to another eligible retirement plan or IRA — 20% of the taxable portion of your distribution must be withheld for federal tax purposes. If you’re in a tax bracket that’s higher than 20%, you may owe more taxes on the payment when you file that year’s tax return. If you’re in a tax bracket that’s lower than 20%, part or all of the amount withheld may be refunded.
Withdrawals From Your Account

The plan is designed to provide benefits when you retire. However, under certain circumstances, you may take a lump-sum withdrawal from your account while you’re still working.

Two types of withdrawals are available, age 59 1/2 withdrawals and hardship withdrawals. The amount available for withdrawal, and the way a withdrawal affects your subaccounts, depends on the type of withdrawal you request.

You may request a withdrawal from either plan if you have a balance in both the 401(a) and 403(b) Plans.

Age 59 1/2 Withdrawals
You may withdraw money from your account at any time, for any reason, if you’re age 59 1/2 or older. You can withdraw up to the full value of your account if you’re 100% vested. And, if you participate in both the 401(a) and 403(b) Plans, you may withdraw up to the full value of your account in both plans.

You can’t withdraw the value of any employer matching contributions in which you’re not vested, or the earnings on those contributions.

You don’t incur tax penalties when you take age 59 1/2 withdrawals. However, if you don’t roll the taxable portion of your withdrawal over to another eligible retirement plan or IRA, you pay taxes on the taxable portion of your withdrawal.

Hardship Withdrawals
You may request one hardship withdrawal each calendar year, and you may withdraw up to the amount of your immediate financial need — or the maximum amount available in your account — whichever is less. The minimum hardship withdrawal amount permitted is $1,000. Due to federal law, you can’t withdraw earnings on any tax-deferred contributions credited to your account after December 31, 1988.

You can increase your withdrawal amount to cover any federal, state, or local taxes, as well as any penalties you anticipate as the result of your withdrawal (typically 125% of the amount you need). However, you can’t exceed the maximum amount available in your account.
To take a hardship withdrawal, you must demonstrate your immediate and heavy financial need, and show that the withdrawal is necessary to satisfy the financial need. In addition, you must demonstrate that your need can’t be satisfied from other resources, including any insurance reimbursements, stopping contributions to the Savings Plan, taking all available loans from the Savings Plan, and any reasonable liquidation of your assets.

Financial Hardship
Hardship withdrawals are permitted only for the following financial hardships:

- The purchase of your primary residence;
- The prevention of foreclosure on or eviction from your primary residence;
- Medical expenses not reimbursed by insurance; and
- Fees for post-secondary education; including tuition, related fees, and room and board for you, your spouse, or your eligible dependents.

Amount Available for Withdrawal
The amount available for withdrawal is determined at 4:00 p.m. Eastern Time (or earlier if the stock market closes before that time), each business day.

If your request is received by 4:00 p.m. Eastern Time, your withdrawal amount is valued as of the close of business on that day. Otherwise, your withdrawal amount is valued as of the close of business on the next business day (or the next day the stock market is open).

Where Your Withdrawal Comes From
Withdrawals are taken from your subaccounts in the order listed below. Each subaccount must be completely used up before money is taken from the next subaccount. And, within each subaccount, your withdrawal is taken from the funds in the same proportions in which your current balance is invested. You may not have funds in each subaccount and your subaccounts may be different between the 401(a) and 403(b) Plans. For example, if your pre-tax subaccount balance is split in 25% increments among four investment funds, your withdrawal from the pre-tax subaccount will be 25% from each of those funds.

- After-Tax Subaccount
  — You may withdraw your after-tax contributions and the associated earnings on those contributions for either withdrawal type.

- Rollover Subaccount
  — You may withdraw both the contributions and the associated earnings on those contributions for either withdrawal type.
• **Pre-Tax Subaccount**

  — For age 59½ **withdrawals**, you may withdraw your pre-tax contributions and the earnings on those contributions.

  — For **hardship withdrawals**, you may withdraw only your pre-tax contribution amount, not the earnings on those contributions.

• **Employer Match Subaccount**

  — You may withdraw your vested contributions and the associated earnings on those contributions for either withdrawal type.

• **Other Employer Contribution Subaccount**

  — For age 59½ **withdrawals**, you may withdraw your other employer contributions, if any, and the earnings on those contributions.

  — For **hardship withdrawals**, you may not withdraw either your other employer contributions, if any, or the earnings on those contributions.

**Taxes on Withdrawals**
The amounts you withdraw, other than any after-tax contributions, are subject to federal income taxes. State taxes are withheld on the withdrawal of any pre-tax monies withdrawn, except for any pre-tax contributions you make while you’re working in Pennsylvania. (Pennsylvania taxes automatically are withheld when you make your contributions.)

A 20% mandatory federal tax is withheld on the taxable portion of withdrawals that are eligible for rollover into another eligible retirement plan or IRA but aren’t rolled over. Beginning January 1, 2000, hardship distributions of pre-tax contributions aren’t rollover-eligible and therefore, are subject to the federal withholding rate unless you opt out of withholding. And, a 10% penalty tax may be due when you file your income tax return if you take a withdrawal before you’re age 59½.

**Requesting a Withdrawal**
Visit the UPMC Retirement Web site [http://resources.hewitt.com/upmc](http://resources.hewitt.com/upmc) or call the UPMC Retirement Line at 1-877-206-8264 to request a withdrawal.
Loans

When you borrow money from the plan, it’s like you’re borrowing the money from yourself. The interest you pay is credited to your account. And, because you’re not taking a distribution, you’re not taxed on the loan amount you receive.

**Taking a Loan From Your Account**
You may borrow money from your account at any time while you’re actively employed by UPMC. However, while on a leave of absence you may not request a loan. You may request a loan from either plan if you have a balance in both the 401(a) and 403(b) Plans.

There are two types of loans available — general purpose and primary residence loans. You can have one of each type outstanding at the same time. A prior loan must have been repaid for at least one month before another loan of the same type is made.

**General Purpose Loans**
You may request a general purpose loan for any reason. You must repay the loan within five years, but no earlier than six months from the date the loan is processed.

**Primary Residence Loans**
You may request a primary residence loan to finance the purchase of a primary residence for yourself. You must repay the loan within 15 years, but no earlier than six months from the date the loan is processed.

The following expenses are eligible for a primary residence loan:

- New construction;
- Escrow amounts;
- Down payment;
- Closing costs; and
- Trailer homes.
The following expenses aren’t eligible for a primary residence loan:

- The purchase of land for construction;
- Earnest money; or
- Mortgage payments.

When you apply for a primary residence loan, you need to submit your home purchase agreement, a sales contract, or the builder’s construction contract. When you submit this documentation, it must be dated within the last 30 days, be signed by both the buyer and the seller, reflect a future closing date, reflect the purchase price, and include the down payment amount.

**Amount You Can Borrow**

Your loan request must be in $100 increments and must be at least $1,000. The maximum amount you can borrow is the lesser of:

- 50,000 minus your highest outstanding loan balance during the last 12 months; or
- 50% of your current vested account balance.

If you’re covered under both the 401(a) and 403(b) Plans and/or another qualified plan or 403(b) plan of UPMC or its affiliates, these maximums are applied as if all those plans are part of the Savings Plan. In addition, a loan fee is applied and reduces your account for each loan you request.

**Where Your Loan Comes From**

Loans are taken from the plan that you specify on your loan application. Once your loan has been approved, your funds are taken from your subaccounts in the order listed below. Each subaccount must be completely used up before money is taken from the next subaccount. And, within each subaccount, your loan is taken from the funds in the same proportions in which your current balance is invested.

For example, if your pre-tax subaccount balance is split in 25% increments among four investment funds, your loan amount from the pre-tax subaccount will be withdrawn 25% from each of those funds.

- **401(a) Plan:**
  - First, from your after-tax subaccount;
  - Then, from your rollover subaccount;
  - Then, from your pre-tax subaccount;
  - Then, from the vested portion of your employer match subaccount; and
  - Lastly, from your other employer contribution subaccount.
• 403(b) Plan:

— First, from your rollover subaccount;

— Then, from your pre-tax subaccount; and

— Lastly, from your employer matching subaccount (even though there are no longer matching contributions to the 403(b) Plan, you may have a 403(b) matching account from prior years).

Repaying Your Loan
Loan repayments are automatically deducted from your paycheck on an after-tax basis. They’re credited to your plan accounts in the reverse order from which they were taken and are invested according to your current investment elections.

In general, if you’re on a bi-weekly pay schedule, 24 loan payments are deducted from your paychecks each year. If you’re on a monthly pay schedule, 12 loan repayments are deducted from your paychecks each year.

Or, you can repay your loan in full at any time after your loan is outstanding for at least six months. Call the UPMC Retirement Line for more information on early repayments. Partial prepayment isn’t permitted.

Manual Repayments
You have to send your loan payments directly to the UPMC Retirement Center if you go on a leave of absence, experience a drop in hours that significantly reduces your paycheck, or transfer to a location that doesn’t use the PeopleSoft payroll system. You may make these payments by personal check, and you should include a loan coupon. (You will receive a notice advising you to contact the UPMC Retirement Center to obtain a Manual Loan Repayment Notice and Manual Loan Repayment Coupons.)

Your manual payments must be made by the due date each month. If your payment is 60 or more days late, your loan is deemed in default. For the year in which the loan defaults, the amount of your outstanding principal and missed interest payments are considered taxable and are reported on your 1099-R.

If You Take a Military Leave of Absence
Your loan repayments are suspended and re-amortized upon your return to work if you take a military leave of absence and have properly informed UPMC of your military leave. This means you’re not required to make manual loan payments while you’re away.

Upon your return to work, your loan repayment schedule is extended by the length of time you were on military leave.

If Your Employment Ends
You have up to 60 days to pay off an outstanding loan if your employment with UPMC or an affiliate ends for any reason. After 60 days, the loan is considered in default.
**Defaulting on Your Loan**

Your loan is in default if:

- A loan payment is more than 60 days past due;
- You fall behind by more than two scheduled monthly payments;
- You file for bankruptcy;
- You fail to pay off the loan within 60 days of your employment with UPMC and its affiliates ending for any reason; or
- You die with any portion of the loan unpaid.

For the year in which a loan defaults, it must be reported to the IRS as a taxable distribution. This means your outstanding loan amount appears as a distribution on your 1099-R form. As a result, you need to report this as income and pay income taxes on it for the year it’s reported.

In addition, there may be additional tax penalties and interest on the unpaid balance. Consult a tax advisor for more information.

**Requesting a Loan**

Visit the UPMC Retirement Web site [http://resources.hewitt.com/upmc](http://resources.hewitt.com/upmc) or call the UPMC Retirement Line at 1-877-206-8264 to request a loan. You must provide the loan amount and the loan repayment term. The UPMC Retirement Center then sends you a Loan Application.

The UPMC Retirement Center must receive your completed Loan Application within 90 days, or you must apply again. Once the UPMC Retirement Center receives your application, it processes your request as soon as administratively possible.

In general, you receive a loan check and promissory note approximately 10 business days after your request is processed. You don’t have to return the promissory note to the UPMC Retirement Center — keep it for your records.

**Interest on Your Loan**

The interest rate on your loan is determined on the first day of each quarter and equals the prime rate of interest plus 1%, as published in *The Wall Street Journal*. When you request a loan, you receive the interest rate determined at the beginning of the current quarter. This interest rate remains in effect over the entire term of your loan.

Under federal law, you can’t deduct the interest paid on loans from your account on your federal tax return.
About Taxes

Generally, your pre-tax, rollover, employer matching contributions, and other employer contributions (if any), as well as the earnings on these contributions and the earnings on your after-tax contributions, aren’t taxable as long as they remain in the plan. However, when you receive a distribution from the plan, you’re responsible for paying the applicable taxes.

You can delay paying taxes if you receive a lump-sum distribution or installment payments for less than 10 years, and you roll over the distribution to another eligible retirement plan or IRA. To the extent that you don’t elect a direct rollover of the rollover-eligible portion of a lump-sum distribution (or installment payments continuing less than 10 years), the plan must withhold 20% of the taxable portion of the amount distributed to you.

If you receive payment of your benefit in installment payments continuing 10 or more years, you may elect whether or not to have taxes withheld. How you, your beneficiary, or your estate is taxed depends on when you or your beneficiary receives payments.

You also may be charged an additional 10% penalty tax if you take a distribution from the plan before you reach age 59 1/2, unless your employment with UPMC or an affiliate terminates after you reach age 55, you become totally and permanently disabled, or you elect installment payments over your life expectancy.

You receive a tax withholding election form before you receive a distribution from the plan. Because federal laws are complicated and change frequently, consult a tax advisor before you request a distribution.
Other Important Information

The 401(a) and 403(b) Plans are designed to help provide income during your retirement. However, some situations could affect or delay your benefits:

- If you fail to make proper application for a distribution or fail to provide necessary information, your distribution could be delayed.

- If you (or your beneficiary) don’t keep your most recent address on file and you can’t be located, your payments may be delayed.

- If you leave for any reason before you’re vested, you’re not entitled to the non-vested employer matching contributions, or the associated earnings on those contributions, in your account.

A Word About Social Security
You receive income from Social Security starting between ages 65 and 67, depending on your year of birth (your “Social Security retirement age”) — or as early as age 62 in a reduced amount. Under current law, your spouse also receives Social Security payments at his or her Social Security retirement age; equal to half the payments you receive. Or, if your spouse is also employed, he or she may receive Social Security payments based on his or her own career. UPMC shares in the cost of providing your Social Security benefit by making contributions on your behalf.

Note: Social Security benefits aren’t paid to you automatically. To receive Social Security payments, you must apply for them at your local Social Security office two to three months before you want payments to begin.

Assignment of Benefits
Your Savings Plan benefits belong to you and, under most circumstances, may not be sold, assigned, transferred, pledged, or garnished.

However, if you become divorced or separated, a court order could require that part of your benefit be paid to someone else – a former spouse or your child, for example. Payment can’t be made unless the court order meets the legal requirements of a Qualified Domestic Relations Order (QDRO). The plan administrator reviews the court order to see if it meets these legal requirements. Any participant or beneficiary may receive a copy of the plan’s QDRO procedures free of charge by requesting them in writing from the plan administrator.
Payment to Incapacitated Persons
If you or your beneficiary is unable to manage your own affairs, any payments due may be paid to someone who is authorized to conduct your affairs. This may be a relative or a court-appointed guardian.

General Plan Limits
As mentioned earlier, there are legal limits on the pre-tax contributions that can be made to your account each year. The limit for 2003 is $12,000. This limit is indexed and may be adjusted by the government each year to reflect increases in the cost of living.

In addition, the portion of your annual pay that’s used to determine your contribution amount under the plan is limited — to $200,000 for 2003. Also, all employee and employer contributions are limited to the lesser of $40,000 or 100% of your gross pay.

Federal laws also require that the plan satisfy certain nondiscrimination standards that could result in the amount of your contributions and any employer matching contributions being reduced or restricted.

If you’re affected by any of these legal limits, you will be notified.

NOTE: The following chart illustrates the general limits for 2003 through 2006, including a special catch-up provision for participants age 50 or older in the years shown:

<table>
<thead>
<tr>
<th>IRS Limit</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation limit for plan contributions</td>
<td>$200,000</td>
<td>To be determined</td>
<td>To be determined</td>
<td>To be determined</td>
</tr>
<tr>
<td>415 compensation limit for defined contribution plans</td>
<td>Lesser of 100% or $40,000</td>
<td>To be determined</td>
<td>To be determined</td>
<td>To be determined</td>
</tr>
<tr>
<td>402(g) pre-tax limit on elective deferrals to 403(b) and 401(k) plans</td>
<td>$12,000</td>
<td>$13,000</td>
<td>$14,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>403(b), 401(k) deferrals for participants age 50 or older by December 31st of the applicable calendar year.</td>
<td>$2,000 additional; up to $14,000 total pre-tax</td>
<td>$3,000 additional; up to $16,000 total pre-tax</td>
<td>$4,000 additional; up to $18,000 total pre-tax</td>
<td>$5,000 additional; up to $20,000 total pre-tax</td>
</tr>
</tbody>
</table>
If Your Request for a Distribution Is Denied and Appeal Rights
If your request or application for a distribution is denied or reduced — in whole or in part — you or your beneficiary receive written notice of the denial within 90 days (or 180 days if special circumstances arise) after your application is received. The notice describes the specific reasons for the denial and the plan provisions that support them. The notice also describes how claims are reviewed, and explains the steps for an appeal. If you need to provide additional material to complete the application, that’s noted.

Appealing Denied Applications
You, your beneficiary, or authorized representative may ask for an appeal of a distribution denial by writing to the plan administrator at the address under the Administrative Information section, page 55. This request must be made within 60 days of the date you received the review denial. You may review any documents related to the claim, and you may submit written issues and comments to the plan administrator.

The final decision on your appeal is made promptly, usually within 60 days after your request for an appeal is received. In any case, you’ll know the final decision no later than 120 days after the request for an appeal was received.

The plan administrator’s decision on your appeal is final.

Top-Heavy Rules
A plan is considered “top-heavy” when 60% or more of the benefits from the plan are payable to key staff members.

Currently, the plan is not top-heavy. In the unlikely event that it becomes top-heavy, you’ll be notified. In addition, your vesting may be accelerated to meet IRS regulations.

If the Plan Ends or Is Modified
UPMC reserves the right to terminate or amend the Savings Plan at any time and for any reason by action of the Retirement Committee or the plan sponsor.

Termination of the plan is unlikely. However, if the plan ends while you’re employed by UPMC, your account becomes fully vested. And, the money in your account can’t be returned to UPMC.

Pension Benefit Guaranty Corporation (PBGC)
This plan is considered a defined contribution type of plan and is therefore not insured by the Pension Benefit Guaranty Corporation (PBGC).

Plan Mergers, Consolidations, or Transfers
If the plan should merge with another plan, your current benefits will be protected. The benefit you’re entitled to immediately after the merger is at least as large as what you would have been entitled to immediately before the merger.
The same provision applies to a plan consolidation and/or a transfer of assets or liabilities to another plan as well.

**No Guarantee of Employment**
Nothing in this booklet says or implies that participation in the plan is a guarantee of continued employment with UPMC or an affiliate; nor is it a guarantee that employer matching contribution levels will remain unchanged in future years.
Additional Limits on Pre-Tax Contributions Under the 403(b) Plan

Certain “general” limits apply to your pre-tax contributions under the 403(b) Plan. However, the tax rules regarding the maximum tax-deferred contribution you can make are extremely complex. You’re strongly encouraged to consult a professional tax advisor to help you determine the maximum contribution you can make to the plan.

You’re responsible for having your contribution limits calculated each calendar year. The IRS produces and makes available Publication 571, “Tax-Sheltered Annuity Programs for Employees of Public Schools and Certain Tax-Exempt Organizations.” This publication may help you better understand and calculate your contribution limits.

General Limits
Your general limit is the lowest of these amounts determined on an annual basis (the dollar amounts are the general limits as in effect for 2003):

- 12,000 ($14,000 if age 50 or older).
  
  — You may contribute up to $15,000 ($17,000 if age 50 or older) to the 403(b) Plan if you have more than 15 years of service but contributed less than an average of $5,000 per year in previous years. If you use this $15,000 (or $17,000) “catch-up” limit, your lifetime contributions above the yearly limit [$12,000 in 2003 ($14,000 if age 50 or older)] are capped at $15,000 for your lifetime.

  — Note that if you make tax-deferred salary reduction contributions to another retirement plan — another employer’s Tax Sheltered Annuity (TSA), 403(b), or 401(k) plan, for example — those contributions also count toward the $12,000/$15,000 ($14,000/$17,000 if age 50 or older) limit each calendar year.

- The lesser of $40,000 or 100% of your gross pay.
  
  — This limit includes contributions to any other 403(b), 401(a), or 401(k) plan that you make or are made on your behalf. This limit also includes employee and employer contributions to qualified defined contribution plans and simplified employer plans.
Cash Balance Plan
An Introduction to Your Cash Balance Plan

Whether you’re nearing retirement or just beginning your career, it’s important to understand how the Cash Balance Plan works. Here are some highlights:

- You automatically participate in the plan on the January 1 or July 1 after you reach age 21 and complete one year of eligibility service.

- The plan is funded entirely by UPMC — you contribute nothing to your benefit.

- Each year in which you are paid at least 1,000 hours, “credits” are added to your account toward your retirement benefit. The amount of the credit is based on your age, years of benefit service, and annual pay. As you become older and your length of benefit service grows, your annual credit increases.

- Daily interest credits are added to your account and are compounded quarterly.

- You’re 100% vested — meaning you’re eligible for a plan benefit — after you complete five years of vesting service.

- Your vested plan benefit is portable — when you retire or otherwise end your employment with UPMC, you can choose a lump-sum payout of your account balance. Or, you may choose one of the many different monthly payment options.

- Your surviving spouse or beneficiary is eligible for benefits if you die before plan payments begin.

This summary plan description explains, in easy-to-understand language, how the Cash Balance Plan works as of January 1, 2003. Please read it carefully and share it with your family. Then, store it in a safe place with your other benefits information. If you have questions this booklet doesn’t answer, visit the UPMC Retirement Web site http://resources.hewitt.com/upmc or call the UPMC Retirement Line at 1-877-206-8264.
Participating in the Plan

Who Is Eligible
You’re eligible to participate in the plan if you’re a staff member or physician of a participating entity or affiliate of UPMC. A separate addendum entitled “Participating Employers” accompanies this booklet. The Who Is Eligible subhead of that addendum lists the entities that currently participate, the entities that are scheduled to participate, and the date the Cash Balance Plan is effective for each entity.

You’re not eligible to participate in the plan if you’re:

• A temporary staff member (except for participants who were hired prior to January 1, 2002 and meet the eligibility requirements under this plan);

• A leased staff member (unless you’re leased from one participating group to another participating group);

• An independent contractor;

• An intern

• An employee who is a member of a bargaining unit, or who has an employment contract or similar written agreement or statement that expressly excludes you from participating in the plan;

• A nonresident alien;

• A fellow or other in a student or educational capacity;

• A medical resident in a graduate medical or education program; or

• A union staff member whose collective bargaining agreement doesn’t specifically provide for plan participation; or

• An individual identified as a “Cotton Club” employee on the payroll records of UPMC Braddock.
When Participation Begins
You automatically participate in the plan on the January 1 or July 1 after you reach age 21 and complete one year of eligibility service (as described under the Some Facts About Service section, page 40).

Alternatively, you automatically became a participant in this plan if you were participating in a retirement plan offered by UPMC or an affiliate on the day the Cash Balance Plan took effect for your employer. See the Who Is Eligible subhead of the addendum for your entity’s cash balance effective date.

Plan Costs
You don’t make contributions to the plan, UPMC pays the full cost by making contributions to a trust fund. The amount UPMC contributes to cover benefits under the plan is determined with the help of an actuary. See the Administrative Information section, page 55, for more information on the trust fund and the trustee.
Some Facts About Service

In essence, service means the length of time you work for UPMC or an affiliate or member employer of UPMC. However, for plan purposes, years of eligibility service, vesting service, and benefit service are counted by hours of service. In some instances, participants may qualify for service credit earned prior to participating in the plan. Some examples include service with member employers, service while working in an ineligible employee class, and service prior to the date acquired by UPMC.

Hours of Service
You earn hours of service for each hour you’re:

- Paid or entitled to payment for actively working;
- Directly or indirectly paid for time away from work due to vacation, holidays, illness, jury duty, or an approved leave of absence;
- Serving military duty (as long as you’re reemployed under laws governing veterans’ reemployment rights); and
- Entitled to back pay.

However, with the exception of military leave, you don’t receive more than 501 hours of service for any single unpaid period away from work. Hours of service credit for military leave will depend on the length of the leave and whether or not you return to work within the applicable guidelines.

In addition, you don’t earn hours of service for time you’re away from work and receiving payments under:

- Workers’ compensation;
- Unemployment compensation; or
- Disability insurance laws.

Eligibility Service
A year of eligibility service is used to determine your eligibility to participate in the plan, and begins with your first day at work. You’re credited with one year of eligibility service on the day you are paid for 1,000 hours of service in your first 12 months of employment or in any later calendar year.
**Vesting Service**
Vesting service is used to determine your eligibility to receive plan benefits. You’re fully vested — which means you have full ownership rights — in your benefit after you earn five years of vesting service.

You earn one year of vesting service for each calendar year in which you’re paid for 1,000 hours of service.

You are also 100% vested in your plan benefit on the date:
- You reach age 65 (while actively employed);
- You become disabled (while actively employed);
- You die (while actively employed); or
- The plan is partially (if you’re affected) or fully terminated.

**Benefit Service**
Benefit service is one of the factors, in addition to your age, used to determine your annual credits under the plan. You earn one year of benefit service for each year of vesting service.

If you participated in a UPMC-sponsored defined benefit pension plan or Matched Savings Plan, this plan may recognize your periods of employment under that UPMC-sponsored plan as benefit service. Therefore, any vesting service you earned under such a plan may be counted as benefit service under this plan.

**Break in Service**
You stop earning service when you have a break in service. You have a break in service on the:
- Day you quit, retire, are discharged, or die; or
- First day of your authorized leave of absence if you fail to return to employment with UPMC or an affiliate upon the expiration of your leave or, if your leave is for military duty, within the period allowed under laws governing veterans’ reemployment rights.

**One-Year Break in Service**
You have a one-year break in service if you have a break in service and are credited with less than 501 hours of service in a calendar year.

**Maternity/Paternity and FMLA Leaves**
To prevent a one-year break in service, you receive credit for up to 501 hours of service for time you’re away from work due to an approved maternity or paternity leave or a leave of absence that’s covered under the Family Medical Leave Act (FMLA) of 1993.

If you don’t need these hours to prevent a break in service in the year in which your leave begins, they’re credited in the next calendar year.
Maternity and paternity leave means you’re away from work due to:

- Your pregnancy;
- The birth of your child;
- The placement of a child with you for adoption; or
- Caring for a child beginning immediately after birth or placement for adoption.

**If You Return to Work**
In the event you leave UPMC or an affiliate and later are rehired, special rules apply to your status in the Cash Balance Plan. The chart below shows how your service and cash balance account are impacted if you return to work.

<table>
<thead>
<tr>
<th>If, When You Left UPMC or an Affiliate, You Were…</th>
<th>And You…</th>
<th>Here’s What Happens If You Return to Work…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vested</td>
<td>Received a distribution of your benefit</td>
<td>Your eligibility service, vesting service, and benefit service are restored. Since you previously received a distribution of your benefit, your cash balance account equals zero. You’re eligible to earn retirement credits and interest credits upon your return to work.</td>
</tr>
<tr>
<td>Vested</td>
<td>Didn’t receive a distribution of your benefit</td>
<td>Your eligibility service, vesting service, and benefit service are restored. You’re eligible to earn retirement credits upon your return to work. Interest credits also will accumulate upon your return to work in addition to the interest credits you earned while you were away.</td>
</tr>
<tr>
<td>Not Vested Had less than five consecutive one-year breaks in service</td>
<td>Had less than five consecutive one-year breaks in service</td>
<td>Your eligibility service, vesting service, benefit service, and cash balance account earned prior to your break in service are restored upon your return to work.</td>
</tr>
<tr>
<td>Not Vested Had five or more consecutive one-year breaks in service</td>
<td>Had five or more consecutive one-year breaks in service</td>
<td>You forfeit all of your prior service as well as your cash balance account, even upon your return to work.</td>
</tr>
</tbody>
</table>
How Your Plan Benefit Is Determined

Your Cash Balance Plan benefit consists of:

- The benefit earned under this plan;
- Any taxable distribution rolled over from the UPMC 401(a) Savings Plan; and
- Any opening balance that’s the result of the conversion of a prior UPMC benefit.

Your benefit is never less than the prior accrued benefit you earned before your benefit was converted under the Cash Balance Plan.

How Your Plan Account Grows

When you begin participating in the plan, a recordkeeping account is set up in your name. This account is not like a personal bank account. Instead, the plan keeps track of your account balances, which aren’t necessarily equal to the money or funds held in the trust.

Your cash balance account grows each year through:

- Retirement credits;
- Interest credits; and
- Transition credits (if applicable).

When you retire or otherwise terminate your employment with UPMC or an affiliate, the actuarial equivalent of your vested account balance is your retirement benefit under the plan.

Retirement Credits

Beginning in 2000, for each calendar year in which you are paid for 1,000 hours of service with a UPMC employer participating in the Cash Balance Plan, you receive a retirement credit. For this purpose, hours earned with a nonparticipating UPMC employer will be counted when determining your total hours for each calendar year.

The credits you receive each year are based on a percentage times your “pay.” The percentage you receive is based on your age and years of benefit service as of the end of the previous calendar year. These are added together to arrive at a “point” total. As you get older and work longer, your points increase, and so do your retirement credits.
For plan purposes, “pay” means your salary for the calendar year while you’re employed by a participating employer as reported on your Form W-2, plus any pre-tax contributions you make to the Savings Plan or other flexible benefit plans, pre-tax transportation benefits, and any final compensation you receive (including pay for unused vacation) after you terminate your employment, up to any applicable IRS limits. However, pay doesn’t include severance pay or any taxable fringe benefits, like tuition reimbursement.

Here’s how your annual retirement credits are determined:

<table>
<thead>
<tr>
<th>If Your Age Plus Benefit Service Equals:</th>
<th>Annual Retirement Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 36 points</td>
<td>3.5% of pay</td>
</tr>
<tr>
<td>36 to 49 points</td>
<td>4.0% of pay</td>
</tr>
<tr>
<td>50 to 69 points</td>
<td>5.0% of pay</td>
</tr>
<tr>
<td>70 or more points</td>
<td>6.0% of pay</td>
</tr>
</tbody>
</table>

Your retirement credit applies to the pay you earn each calendar year in which you’re eligible for the plan. In the year of your cash balance effective date, your retirement credit applies to only the pay you earn on and after the date that you become eligible for the Cash Balance Plan.

You also earn your retirement credit in the year you become disabled, die, or leave employment at or after age 55 — regardless of whether you earned 1,000 hours of service during the year.

**Interest Credits**

Your Cash Balance Plan account also receives interest credits each quarter.

The interest credit for a quarter is based on the proxy estimate of the 30-year U.S. Treasury bond rate in effect for the second month of the previous calendar quarter. For example, the rate for the period October 1 through December 31 is the rate in effect for the month of August.

Your interest credit is added to your account at the end of each day and is compounded quarterly until you receive your benefit from the plan.

Because of the power of compounding (the interest credit earns still more credit), your account grows even faster.

**Transition Credits**

If your employer is identified as offering transition credits in the addendum, and you met all of the following requirements as of the last day of the plan year prior to your cash balance effective date, you’re eligible for transition credits:

- You were age 45; and
- You had at least 15 years of benefit service under one or more UPMC employer-sponsored retirement plans.
If you’re eligible for transition credits, they’re determined and allocated in the same manner as retirement credits (an additional percentage of your pay is allocated to your account at the end of the year if you earned 1,000 hours of service). Transition credits are eligible for allocation beginning in the year after your cash balance effective date, if the cash balance effective date is other than January 1. For example, if your cash balance effective date was July 1, 2001, you are eligible for an allocation of transition credits beginning in 2002.

**Rollover Account**

You may roll over the taxable portion of your final, full distribution from the Savings Plan into your cash balance rollover account.

You must be separated from employment and have a vested cash balance account to be eligible to roll over your Savings Plan distribution into your cash balance account.

You’re always 100% vested in your rollover account, and you earn interest credits on your rollover account balance.

**Opening Account Balance**

If you participated in a UPMC defined benefit pension plan that is being replaced with the Cash Balance Plan, your accrued benefit under your prior plan (as of the day before the cash balance effective date as applied to your employer) was converted to an equivalent opening account balance under the Cash Balance Plan. Otherwise, your opening account balance is zero.

If you had an accrued benefit under a prior UPMC pension plan, that benefit became your opening account balance in the Cash Balance Plan. Your accrued benefit under a prior UPMC pension plan serves as a floor benefit and by law, you never receive less under this plan than the benefit that you accrued under the prior pension plan determined the day before your cash balance effective date. The formulas used to determine how your prior UPMC pension plan accrued benefit was calculated are provided in the addendums to the UPMC Basic Retirement Plan.
When Plan Benefits Are Paid

Benefits are payable as long as you’re fully vested when your employment terminates.

Normal Retirement
You’re eligible for normal retirement when you reach age 65 — your normal retirement age. Upon your termination of employment, you may take your plan benefit as a lump-sum payment or choose another available payment method (as described in the How Plan Benefits Are Paid section, page 43).

Plan payments may begin on your normal retirement date — the first day of the month on or after the date you reach age 65 and terminate your employment.

Late Retirement
You may continue working for UPMC or an affiliate beyond your normal retirement date. Plan payments must begin on the later of (1) the first day of the month after your employment terminates or (2) the April 1 immediately after your attainment of age 70 ½.

If You Leave Before Retirement
You’re entitled to a benefit under the plan even if you leave UPMC or an affiliate before retirement age, as long as you have at least five years of vesting service.

Your retirement benefit is the actuarial equivalent of your Cash Balance Plan account on the day your employment terminates.

In general, payments may begin on the first day of any month after your employment terminates. Or, you may defer payment of your account until the April 1 immediately after your attainment of age 70 ½. If you do, interest credits are added to your account until payments begin.
How Plan Benefits Are Paid

Several payment options are available when you become eligible for plan benefits.

**Automatic Payment Methods**
You receive your benefit in the automatic payment method unless you elect otherwise. Which automatic payment method you receive depends on your marital status when payments begin:

- **Single-Life Annuity**: This is the automatic payment method if you’re not married. Under this method, you receive a monthly benefit for your lifetime only — no benefits are paid after your death.

- **50% Joint and Surviving Spouse Annuity**: This is the automatic payment method if you’re married. You receive a reduced monthly benefit for your lifetime, because payments are expected to be made over two lifetimes instead of one. After your death, 50% of your reduced benefit amount is paid to your surviving spouse for his or her lifetime.

You may reject your automatic payment method, in writing, during the 30- to 90-day period before payments begin. However, if you’re married and want to choose an optional payment method, your spouse must consent to your choice, in writing, in the presence of a plan administrator or notary public. Under some circumstances, your payments may begin as soon as eight days following your election and the required spousal consent, if any.

**Optional Payment Methods**
Instead of the payment methods described above, you may choose to receive benefits under one of these optional payment forms:

- **Lump-Sum Option**: You may receive your plan benefit in one lump-sum payment. You may roll this payment directly over into the Savings Plan. Should you elect this option, no further benefits are payable from the Cash Balance Plan.

  If payment is made in a lump sum and you don’t elect a direct rollover to another eligible retirement plan or IRA, 20% of your distribution must be withheld for tax purposes. If you’re in a tax bracket that’s higher than 20%, you may owe more taxes on the payment when you file that year’s tax return. If you’re in a tax bracket that’s lower than 20%, part or all of the amount withheld may be refunded.

- **Single-Life Annuity**: This is an optional payment method if you’re married.
**Joint and Contingent Annuity:** This payment method is like the 50% joint and surviving spouse method described above, except that you can name anyone as your beneficiary and choose the percentage of your reduced monthly benefit to be continued to your named beneficiary — 50%, 66-2/3%, 75%, or 100%. However, if you’re married, your spouse must consent to your choice of another beneficiary, in writing, in the presence of a plan administrator or notary public.

**Certain and Continuous Annuity:** This payment method provides a reduced monthly payment for your lifetime, with payments guaranteed for 36, 60, 120, 180, or 240 months (your choice). Monthly benefits are reduced because payments are guaranteed for a certain period.

If you die before receiving all the guaranteed payments, monthly benefits continue to your named beneficiary for the remainder of the guaranteed period — at which point payments end.

If your named beneficiary dies before receiving the guaranteed payments, remaining payments are payable to your beneficiary’s estate.

Remember, if you’re married, your spouse automatically is your beneficiary. You may choose another beneficiary, with your spouse’s written, notarized consent.

**Age 62 Social Security Adjustment Option:** This payment form provides an annuity for your lifetime and is designed to coordinate with your Social Security payments. When combined with your Social Security benefit collected at age 62, this payment option provides you with essentially level income throughout your retirement.

Under this option, you may choose to receive an increased monthly benefit from the date payments begin, until you reach age 62 — when you become eligible to receive reduced Social Security benefits. Then, beginning on the first day of the month on or after the date you reach age 62, your plan benefit is reduced for the remainder of your lifetime. Payments end upon your death.

**10-Year Period Certain Annuity:** This payment method provides for an increased monthly benefit that’s guaranteed to be paid for a period of 10 years, or 120 monthly payments. If you die before receiving all 120 payments, your named beneficiary receives the remaining benefits.

If your named beneficiary dies before receiving the guaranteed payments, remaining payments are payable to your beneficiary’s estate.

If you have received all 120 monthly payments before your death, then payments end.

Remember, if you’re married, your spouse automatically is your beneficiary. You may choose another beneficiary, with your spouse’s written, notarized consent.

**Full Cash Refund Annuity:** Under this payment method, you receive a reduced monthly benefit for your lifetime. Upon your death, if the total of payments received is less than the total value of your Cash Balance Plan account as of the date payments began, the remaining value of your account is paid to your beneficiary in a lump sum.

Remember, if you’re married, your spouse automatically is your beneficiary. You may choose another beneficiary, with your spouse’s written, notarized consent.
Naming a Beneficiary
Your beneficiary is the person to whom plan benefits are paid if you die. You may name anyone as beneficiary, and you may change your beneficiary designation at any time before your benefit payment begins.

However, if you’re married, your spouse automatically is your beneficiary. You may name someone other than your spouse as beneficiary as long as your spouse consents to your choice, in writing, in the presence of a plan representative or notary public. Once your spouse consents, he or she may not revoke his or her consent, unless you name a different beneficiary.

If you don’t name a beneficiary, or if your beneficiary dies before you and you don’t name another beneficiary, plan benefits are paid in this order:

- To your surviving spouse; or, if none
- To your natural or adopted children, in equal shares (per stirpes); or, if none
- To your parents, in equal shares; or, if none
- To your siblings, in equal shares; or, if none
- To your estate.

Choosing a Payment Method
When you apply for your plan benefit, you receive a written explanation of your payment choices and the benefit amounts associated with each one. You receive an explanation of your rights and options in nontechnical language before payment begins. This notice includes:

- A general explanation of the financial effect of your options;
- The terms and conditions of the 50% joint and surviving spouse annuity;
- Your right to waive the 50% joint and surviving spouse annuity;
- Your spouse’s rights regarding a waiver of the 50% joint and surviving spouse annuity; and
- Your right to revoke your election, and the financial effects of doing so.

The payment method you elect takes effect on the date payments start. You may change payment methods at any time within 90 days before payments start, but not after payments begin.

You must file your written choice with the plan administrator before plan payments are scheduled to begin, otherwise you receive your benefit according to your automatic payment method.
Payment of Small Amounts
If the actuarial value of your Cash Balance Plan account (excluding rollover contributions) is $5,000 or less when your employment terminates, the plan automatically pays your benefit in a single lump-sum payment as soon as possible. You can’t defer this payment, but you can ask to have it directly rolled over to an eligible retirement plan or IRA.

If payment is made in a lump sum and you don’t elect a direct rollover to another eligible retirement plan or IRA, 20% of your distribution must be withheld for tax purposes. If you’re in a tax bracket that’s higher than 20%, you may owe more taxes on the payment when you file that year’s tax return. If you’re in a tax bracket that’s lower than 20%, part or all of the amount withheld may be refunded.
If You Die Before Plan Payments Begin

If you die before plan payments begin, the plan provides financial protection for your surviving spouse or beneficiary in the form of a pre-retirement death benefit. And remember, you’re fully vested if you die while actively employed — regardless of whether or not you have five years of vesting service. This protection is provided at no cost to you.

If you’re married, your spouse automatically is your beneficiary. However, you may name someone else as beneficiary with your spouse’s written, notarized consent. If you’re not married, you can designate anyone as your beneficiary.

Surviving Spouse Benefit
Your surviving spouse may receive a monthly benefit — for his or her lifetime — equal to the actuarial equivalent of your Cash Balance Plan account as of the date payments begin.

Your surviving spouse may elect to begin receiving his or her benefit on the first day of the month after your death. Or, your surviving spouse may elect to defer the start of payments, but not beyond April 1 of the calendar year following the year in which you would have reached age 70½.

As an alternative to a monthly lifetime benefit, your surviving spouse may elect to receive a lump-sum payment equal to the actuarial equivalent of your account as of the last day of the month before payment is made.

Non-Spouse Beneficiary
Your non-spouse beneficiary receives an immediate lump-sum payment equal to the value of your account as of the last day of the month before payment is made.

This payment is made as soon as administratively practicable after your death.
How Taxes Affect Your Benefit

Under current federal income tax law, retirement benefits aren’t taxable while they’re held in the plan. When you receive a distribution from the plan, you’re responsible for paying the applicable taxes.

You can delay paying taxes if your distribution is in the form of a lump sum that’s rolled over or transferred directly to another eligible retirement plan or IRA. If you don’t elect a direct transfer of the entire lump-sum distribution, the plan is required to withhold 20% of the taxable portion of the amount distributed to you.

If you receive payment of your benefit in the form of an annuity, you may elect whether or not to have taxes withheld. How you, your beneficiary, or your estate is taxed depends on when you or your beneficiary receives payments.

You may also be charged an additional 10% penalty tax if you take a lump-sum distribution from the plan before you reach age 59½, unless your employment with UPMC or an affiliate terminates after you reach age 55 or because you become disabled.

You receive a tax withholding election form before you receive your retirement benefit. Because federal laws are complicated and change frequently, you should consult a tax advisor before requesting a distribution from the plan.
Applying for Benefits

Filing an Application for Benefits
You or your beneficiary must apply to receive benefits from the Cash Balance Plan.
To apply for benefits, you or your beneficiary must visit the UPMC Retirement Web site http://resources.hewitt.com/upmc or call the UPMC Retirement Line at 1-877-206-8264.

Even though it doesn’t happen often, disagreements occasionally arise about benefit eligibility or amounts. In most cases they’re resolved quickly. If you’re unable to resolve the disagreement, you should know that there are formal procedures in place so you can have the decision reviewed and appealed.

If Your Application Is Denied
If your request or application for a plan benefit is denied or reduced — in whole or in part — you or your beneficiary will receive written notice of the denial within 90 days (or in special circumstances within 180 days) after your application is received. The notice describes the specific reasons for the denial and the plan provisions that support them. The notice also describes how claims are reviewed and explains the steps for an appeal. If you need to provide additional material to complete the application, that’s noted.

Appealing Denied Applications
You, your beneficiary, or authorized representative may ask for an appeal of a benefit denial by writing to the plan administrator at the address under the Administrative Information section, page 55. This request must be made within 60 days of the date you received the review denial. You may review any documents related to the claim, and you may submit written issues and comments to the plan administrator.

The final decision on your appeal for benefits is made promptly, usually within 60 days after your request for an appeal is received. In any case, you know the final decision no later than 120 days after the request for an appeal was received.

The plan administrator’s decision on your appeal is final.
Other Important Information About the Plan

The Cash Balance Plan is designed to help provide income during your retirement. However, some situations could affect or delay your plan benefits:

- If you fail to make proper application for benefits or fail to provide necessary information, your benefits could be delayed.

- If you (or your beneficiary) don’t keep your most recent address on file and you can’t be located, your benefit payments may be delayed.

- If you leave for any reason before you’re vested, you’re not entitled to a benefit from the plan.

If You Transfer
Special rules apply if you transfer from an ineligible status to an eligible status, and vice versa. Call the UPMC Retirement Line for more information.

If You’re Rehired After Benefits Begin
If you decide to return to UPMC or an affiliate after plan payments begin, benefits continue while you’re employed. In addition, you earn additional benefits under the plan. You receive additional information when you’re rehired.

A Word About Social Security
You receive income from Social Security starting between ages 65 and 67, depending on your year of birth (your “Social Security retirement age”) — or as early as age 62 in a reduced amount. Under current law, your spouse also receives Social Security payments at his or her Social Security retirement age; equal to half the payments you receive. Or, if your spouse is also employed, he or she may receive Social Security payments based on his or her own career. UPMC or an affiliate shares in the cost of providing your Social Security benefit by making contributions on your behalf.

Note: Social Security benefits aren’t paid to you automatically. To receive Social Security payments, you must apply for them at your local Social Security office two to three months before you want payments to begin.
Assignment of Benefits
Your Cash Balance Plan benefits belong to you and, under most circumstances, may not be sold, assigned, transferred, pledged, or garnished.

However, if you become divorced or separated, a court order could require that part of your benefit be paid to someone else – a former spouse or your child, for example. Payment can’t be made unless the court order meets the legal requirements of a Qualified Domestic Relations Order (QDRO). The plan administrator reviews the court order to see if it meets these legal requirements. Any participant or beneficiary may receive a copy of the plan’s QDRO procedures free of charge by requesting them in writing from the plan administrator.

Payment to Incapacitated Persons
If you or your beneficiary is unable to manage your own affairs, any payments due may be paid to someone who is authorized to conduct your affairs. This may be a relative or a court-appointed guardian.

Maximum Benefit and Compensation Rules
Pension law limits the total amount you can receive from plans like the Cash Balance Plan. In general, only very highly paid individuals reach the maximum level allowed under the plan.

In addition, the government sets an upper limit to the amount of pay that can be considered when calculating a retirement benefit. This limit is adjusted periodically.

If you’re affected by any of these legal limits, you’re notified. For more information, visit the UPMC Retirement Web site http://resources.hewitt.com/upmc or call the UPMC Retirement Line at 1-877-206-8264.

Top-Heavy Rules
A pension plan is considered “top-heavy” when 60% or more of the benefits from the plan are payable to key staff members.

Currently, the Cash Balance Plan is not top-heavy. In the unlikely event that it becomes top-heavy, you will be notified. Your benefits may be adjusted and your vesting may be accelerated to meet IRS regulations.

If the Plan Ends or Is Modified
UPMC reserves the right to terminate or amend the Cash Balance Plan at any time and for any reason by action of the Retirement Committee or the plan sponsor.

Termination of the plan is unlikely. However, if the plan ends while you’re employed by UPMC, you stop earning benefits. You have full rights to all benefits you had already earned.
If the Cash Balance Plan ends, the assets of the Cash Balance Plan will be used first to pay any administrative expenses which are required to be paid, unless paid by UPMC. Thereafter, the assets of the Cash Balance Plan will be used to pay you (or your beneficiary) your accrued benefit. You will not receive any more than your accrued benefit, but you may receive less if there are not enough Cash Balance Plan assets remaining to pay all participant benefits. If the Cash Balance Plan terminates without enough assets to pay all benefits, the PBGC will take over the responsibility of allocating the remaining assets among you and other participants.

**Pension Benefit Guaranty Corporation (PBGC)**

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

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

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

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

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC’s Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 1-202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-202-326-4000. 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 Mergers, Consolidations, or Transfers
If the Cash Balance Plan should merge with another plan, your current benefits will be protected. The benefit you’re entitled to immediately after the merger will be at least as large as what you would have been entitled to immediately before the merger.

The same provision applies to a plan consolidation and/or a transfer of assets or liabilities to another plan as well.

No Guarantee of Employment
Nothing in this booklet says or implies that participation in this plan is a guarantee of continued employment with UPMC or an affiliate, nor is it a guarantee that contribution or benefit levels will remain unchanged in future years.
Administering the Plans
Administrative Information

Here is general administrative information regarding the plans.

**Plan Names**
The official names of the plans are shown in the chart below.

<table>
<thead>
<tr>
<th>Plan</th>
<th>Official Plan Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings Plan — “401(a) Plan”</td>
<td>UPMC 401(a) Retirement Savings Plan</td>
</tr>
<tr>
<td>Savings Plan — “403(b) Plan”</td>
<td>UPMC 403(b) Retirement Savings Plan</td>
</tr>
<tr>
<td>Cash Balance Plan</td>
<td>UPMC Basic Retirement Plan</td>
</tr>
</tbody>
</table>

**Sponsor and Administrator**
The plans described in this booklet are sponsored by:

UPMC  
c/o Benefits Department, Division of Human Resources  
200 Lothrop Street  
Pittsburgh, PA 15213  
1-800-994-2752, Option #1, Option #3

The plan administrator for the plans is UPMC. Benefits under these plans will be paid only if the plan administrator decides in its discretion that the applicant is entitled to them. The plan administrator is the named fiduciary of the plans. However, most of your day to day questions can be handled via the UPMC Retirement Web site [http://resources.hewitt.com/upmc](http://resources.hewitt.com/upmc) or by calling the UPMC Retirement Line at **1-877-206-8264**.

**Plan Type and Numbers**
The chart below includes each plan’s type and numbers.

<table>
<thead>
<tr>
<th>Plan</th>
<th>Plan Type</th>
<th>Employer Identification Number</th>
<th>Plan Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings Plan — “401(a) Plan”</td>
<td>Defined Contribution Plan</td>
<td>25-1423657</td>
<td>335</td>
</tr>
<tr>
<td>Savings Plan — “403(b) Plan”</td>
<td>Tax-Sheltered Annuity Plan</td>
<td>25-1423657</td>
<td>334</td>
</tr>
<tr>
<td>Cash Balance Plan</td>
<td>Defined Benefit Plan</td>
<td>25-1423657</td>
<td>333</td>
</tr>
</tbody>
</table>
Reports for the plans are filed with the United States Internal Revenue Service and the Department of Labor under UPMC’s Employer Identification Number (EIN) and the Plan Numbers (PNs).

**Plan Year**
The plan year is the calendar year — January 1 through December 31.

**Type of Administration and Funding**
Employer matching contributions to the Savings Plan are paid out of general company assets. These contributions, and the contributions you make to the plan, are placed in a trust fund. Contributions to the Cash Balance Plan are paid out of general company assets and placed in a trust fund where money is held for the benefit of plan members and their beneficiaries.

**Plan Trustee, Recordkeeper, and Check Writer**

<table>
<thead>
<tr>
<th>Plan</th>
<th>Plan Trustee</th>
<th>Recordkeeper</th>
<th>Check Writer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings Plan — “401(a) Plan”</td>
<td>Mellon Bank</td>
<td>Hewitt Associates</td>
<td>PNC Bank</td>
</tr>
<tr>
<td></td>
<td>One Mellon Bank Center Room 3346</td>
<td>100 Half Day Road</td>
<td>One Oliver Plaza</td>
</tr>
<tr>
<td></td>
<td>Pittsburgh, PA 15258-0001 1-412-234-6824</td>
<td>Lincolnshire, IL 60069</td>
<td>210 Sixth Avenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pittsburgh, PA 15222-2602</td>
</tr>
<tr>
<td>Savings Plan — “403(b) Plan”</td>
<td>Mellon Bank</td>
<td>Hewitt Associates</td>
<td>PNC Bank</td>
</tr>
<tr>
<td></td>
<td>One Mellon Bank Center Room 3346</td>
<td>100 Half Day Road</td>
<td>One Oliver Plaza</td>
</tr>
<tr>
<td></td>
<td>Pittsburgh, PA 15258-0001 1-412-234-6824</td>
<td>Lincolnshire, IL 60069</td>
<td>210 Sixth Avenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pittsburgh, PA 15222-2602</td>
</tr>
</tbody>
</table>
| Cash Balance Plan                          | **Trust:** UPMC Health System Basic Retirement Plan Master Trust
|                                           | **Trustee:** Mellon Bank One Mellon Bank Center Room 3346
|                                           | Pittsburgh, PA 15258-0001 1-412-234-6824          | Hewitt Associates                 | PNC Bank                              |
|                                           |                                                   | 100 Half Day Road                     | One Oliver Plaza                      |
|                                           |                                                   | Lincolnshire, IL 60069                | 210 Sixth Avenue                      |
|                                           |                                                   |                                       | Pittsburgh, PA 15222-2602             |

**Agent for Service of Legal Process**
Service of legal process may be made upon the plan administrator by specifying the appropriate plan.
Your Rights Under ERISA

As a participant in the UPMC Health System 401(a) Retirement Savings Plan, the UPMC Health System 403(b) Retirement Savings Plan, and the UPMC Health System Basic Retirement Plan, you (and your beneficiary) are entitled to certain rights and protection under federal law as stated in the Employee Retirement Income Security Act of 1974 (ERISA). ERISA entitles you to:

Receive Information About Your Plan and Benefits. You have a right to:

- Examine, without charge, at the Plan Administrator’s office and at other specified locations, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

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

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

- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of 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, 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.
Enforce Your Rights.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the 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.

Assistance with Your 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 Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.
Savings Plan

Who Is Eligible
The following chart shows the entities or affiliates of the UPMC who participate in the Savings Plan (Community version), and to whom this booklet applies. This chart also shows the effective date of participation.

<table>
<thead>
<tr>
<th>Participating Entity or Affiliate of the UPMC</th>
<th>Effective Date of Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPMC Beaver Valley*</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Braddock*</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Braddock Maintenance and Service Employees</td>
<td>July 1, 2002</td>
</tr>
<tr>
<td>UPMC Horizon</td>
<td>January 1, 2001</td>
</tr>
<tr>
<td>UPMC McKeesport*</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC McKeesport Physicians</td>
<td>February 1, 2002</td>
</tr>
<tr>
<td>UPMC Passavant (Cranberry Location Only)</td>
<td>November 1, 2002</td>
</tr>
<tr>
<td>UPMC Senior Living Corporation*</td>
<td>April 1, 2001</td>
</tr>
<tr>
<td>UPMC Senior Living Cranberry Place</td>
<td>November 1, 2002</td>
</tr>
<tr>
<td>UPMC South Side</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC St. Margaret</td>
<td>July 1, 2000</td>
</tr>
</tbody>
</table>

*Not applicable to those collectively bargained employees who have not adopted the Plan

Other Participating Entities of the UPMC
The following chart shows the entities or affiliates of the UPMC who participate in the Savings Plan. This chart also shows the effective date of participation.

<table>
<thead>
<tr>
<th>Participating Entity or Affiliate of the UPMC</th>
<th>Effective Date of Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegheny Radiology Oncology Group</td>
<td>January 1, 2001</td>
</tr>
<tr>
<td>Askesis Development Group, Inc.</td>
<td>May 1, 2002</td>
</tr>
<tr>
<td>Central Imaging Services, Inc.</td>
<td>July 1, 1999</td>
</tr>
<tr>
<td>Central Laboratory Services, Inc.</td>
<td>July 1, 1999</td>
</tr>
<tr>
<td>Chartwell PA, LP</td>
<td>March 1, 2002</td>
</tr>
<tr>
<td>Community Care Behavioral Health Organization</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>Community Family Health Center, Inc. (f/k/a/</td>
<td>July 1, 2002</td>
</tr>
<tr>
<td>Shadyside Family Health Center, PC)</td>
<td></td>
</tr>
<tr>
<td>LSC Consulting, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>Medical Archival Systems, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>Organization</td>
<td>Date</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Monroeville Specialty Clinic, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>Shadyside Medical Associates (Staff Only) **</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>University Family Practice Associates (UFPA) (Staff Only) **</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>University of Pittsburgh Physicians (Physicians Only)</td>
<td>January 1, 1999</td>
</tr>
<tr>
<td>University of Pittsburgh Physicians (Staff Only)</td>
<td>January 1, 1999</td>
</tr>
<tr>
<td>UPCI Cancer Services (d/b/a UPMC Cancer Centers)</td>
<td>March 1, 2002</td>
</tr>
<tr>
<td>UPMC Bedford Memorial</td>
<td>July 1, 2001</td>
</tr>
<tr>
<td>UPMC Community Medicine, Inc. (f/k/a University Services Organization, Inc. (USO)) (Staff Only) **</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Community Medicine, Inc. (Physicians)</td>
<td>January 1, 2001</td>
</tr>
<tr>
<td>UPMC Corporate Services</td>
<td>July 1, 1999</td>
</tr>
<tr>
<td>UPMC Diversified Services and Affiliates, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Emergency Medicine, Inc. (Physicians)</td>
<td>February 1, 2001</td>
</tr>
<tr>
<td>UPMC Health Plan</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Home Care Services, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Overseas, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Presbyterian Vital Staff Group</td>
<td>November 1, 2001</td>
</tr>
<tr>
<td>UPMC Presbyterian* (Includes Western Psychiatric Institute and Clinic)</td>
<td>July 1, 1999</td>
</tr>
<tr>
<td>UPMC Rehabilitation Hospital</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Shadyside</td>
<td>July 1, 1999</td>
</tr>
<tr>
<td>UPMC South Hills Health System Home Health, LP</td>
<td>January 1, 2001</td>
</tr>
<tr>
<td>UPMC Work Partners</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Physician Practice Corporation, Inc. (d/b/a UPMC Behavioral Health Associates)</td>
<td>January 1, 2002</td>
</tr>
</tbody>
</table>

* Not applicable to those collectively bargained employees who have not adopted the Plan
** Effective January 1, 2001, these entities were combined with and into UPMC Community Medicine, Inc. (f/k/a University Family Practice Associates, Inc.), a Code section 501(c)(3) not for profit organization. Employees of these entities were transferred to and became employed by UPMC Community Medicine, Inc.
**Cash Balance Plan**

**Who Is Eligible**

The following chart shows the entities or affiliates of the UPMC who participate in the Cash Balance Plan (Community version), and to whom this booklet applies. The chart also shows each entity’s cash balance effective date.

<table>
<thead>
<tr>
<th>Participating Entity or Affiliate of the UPMC</th>
<th>Effective Date of Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPMC Beaver Valley*</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Braddock*</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Braddock Maintenance and Service Employees</td>
<td>July 1, 2002</td>
</tr>
<tr>
<td>UPMC Horizon</td>
<td>January 1, 2001</td>
</tr>
<tr>
<td>UPMC McKeesport</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC McKeesport Physicians</td>
<td>February 1, 2002</td>
</tr>
<tr>
<td>UPMC Passavant (Cranberry Location Only)</td>
<td>November 1, 2002</td>
</tr>
<tr>
<td>UPMC Senior Living Corporation*</td>
<td>April 1, 2001</td>
</tr>
<tr>
<td>UPMC Senior Living Cranberry Place</td>
<td>November 1, 2002</td>
</tr>
<tr>
<td>UPMC South Side</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC St. Margaret</td>
<td>July 1, 2000</td>
</tr>
</tbody>
</table>

* Not applicable to those collectively bargained employees who have not adopted the Plan

**Other Participating Entities of the UPMC**

The following chart shows the entities or affiliates of the UPMC who participate in the Cash Balance Plan as well as the cash balance effective date.

<table>
<thead>
<tr>
<th>Participating Entity or Affiliate of the UPMC</th>
<th>Cash Balance Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegheny Radiology Oncology Group</td>
<td>January 1, 2001</td>
</tr>
<tr>
<td>Askesis Development Group, Inc.</td>
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</tr>
<tr>
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<td>Central Laboratory Services, Inc.</td>
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<tr>
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</tr>
<tr>
<td>LSC Consulting, Inc.</td>
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</tr>
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</tr>
<tr>
<td>-------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Monroeville Specialty Clinic, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>Shadyside Medical Associates (Staff Only)**</td>
<td>July 1, 2000</td>
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<tr>
<td>University Family Practice Associates (UFPA) (Staff Only)**</td>
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<tr>
<td>University of Pittsburgh Physicians (Staff Only)</td>
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<tr>
<td>UPMC Community Medicine, Inc. (f/k/a University Services Organization, Inc. (USO)) (Staff Only)**</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Community Medicine, Inc. (Physicians)</td>
<td>January 1, 2001</td>
</tr>
<tr>
<td>UPMC Corporate Services</td>
<td>July 1, 1999</td>
</tr>
<tr>
<td>UPMC Diversified Services and Affiliates, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Emergency Medicine, Inc. (Physicians)</td>
<td>February 1, 2001</td>
</tr>
<tr>
<td>UPMC Health Plan</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Home Care Services, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Overseas, Inc.</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>UPMC Presbyterian* (Includes Western Psychiatric Institute and Clinic)</td>
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</tr>
<tr>
<td>UPMC Rehabilitation Hospital</td>
<td>July 1, 2000</td>
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<tr>
<td>UPMC Shadyside</td>
<td>July 1, 1999</td>
</tr>
<tr>
<td>UPMC South Hills Health System Home Health, LP</td>
<td>January 1, 2001</td>
</tr>
<tr>
<td>UPMC Work Partners</td>
<td>July 1, 2000</td>
</tr>
<tr>
<td>WPIC Physician Practice Corporation, Inc. (d/b/a UPMC Behavioral Health Associates)</td>
<td>January 1, 2002</td>
</tr>
</tbody>
</table>

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** Effective January 1, 2001, these entities were combined with and into UPMC Community Medicine, Inc. (f/k/a University Family Practice Associates, Inc.), a Code section 501(c)(3) not for profit organization. Employees of these entities were transferred to and became employed by UPMC Community Medicine, Inc.

### Benefit Service
If you participated in a UPMC-sponsored defined benefit pension or Matched Savings Plan, this plan may recognize your periods of employment under that UPMC-sponsored plan as benefit service. Therefore, any vesting service you earned under such a plan may be counted as benefit service under this plan.

### Transition Credits
As long as you met the minimum eligibility requirements, as of the last day of the plan year prior to your Cash Balance Effective Date, here’s how your transition credits are determined if you’re at least age 45 with 15 years of benefit service.
If You’re at Least Age 45 With 15 Years of Benefit Service

<table>
<thead>
<tr>
<th>Entity</th>
<th>If You’re at Least Age 50 With 15 Years of Benefit Service*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>65 – 69 points</td>
</tr>
<tr>
<td>UPMC Beaver Valley</td>
<td>Transition Credit = 3%</td>
</tr>
<tr>
<td>UPMC Braddock</td>
<td>Transition Credit = 5%</td>
</tr>
<tr>
<td>UPMC Braddock Maintenance and Service Employees</td>
<td>Transition Credit = 5%</td>
</tr>
<tr>
<td>UPMC Horizon **</td>
<td>Transition Credit = 5%</td>
</tr>
<tr>
<td>UPMC McKeesport</td>
<td>Transition Credit = 4%</td>
</tr>
<tr>
<td>UPMC McKeesport Physicians</td>
<td>Transition Credit = 4%</td>
</tr>
<tr>
<td>UPMC South Side</td>
<td>Transition Credit = 6%</td>
</tr>
</tbody>
</table>

* If you’re age 50 or older and have at least 15 years of benefit service, your transition credit is not only based on your age and service point totals as of December 31 prior to your Cash Balance Effective Date, but it increases as you get older.

** UPMC Horizon staff are eligible for a grandfathered transition benefit equal to the monthly accrued benefit calculated at actual retirement date under the terms of the prior Greenville or Shenango pension plan formulas, if this benefit is greater than the monthly benefit determined under the Cash Balance Plan.

UPMC St. Margaret Transition Credits

As long as you met the minimum eligibility requirements, here’s how your transition credits are determined if you’re at least age 45 with 15 years of benefit service*.

<table>
<thead>
<tr>
<th>60-64 points</th>
<th>65-69 points</th>
<th>70-79 points</th>
<th>80+ points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transition Credit = 6%</td>
<td>Transition Credit = 7%</td>
<td>Transition Credit = 7%</td>
<td>Transition Credit = 8%</td>
</tr>
</tbody>
</table>

* If you’re age 45 or older and have at least 15 years of benefit service, your transition credit is not only based on your age and service point totals as of December 31, 1999, but it increases as you get older. Transition credits continue for 15 years after the Cash Balance Effective Date.

If you’re eligible for a transition credit under the “50 and 15” schedule, you don’t also receive the transition credit under the “45 and 15” schedule.
Transition credits, as shown above, take effect on Jan. 1, 2001 and end Dec. 31, 2015 for the following entities:

- UPMC Beaver Valley*
- UPMC Braddock*
- UPMC McKeesport*
- UPMC South Side
- UPMC St. Margaret
- UPMC Horizon.

* Not applicable to those collectively bargained employees who have not adopted the Plan.

Transition credits, as shown above, take effect on Jan. 1, 2003 and end Dec. 31, 2017 for the following entities:

- UPMC McKeesport Physicians
- UPMC Braddock Maintenance and Service Employees.

The above schedules don’t apply for UPMC Senior Living Corporation, UPMC Passavant (Cranberry Location) and UPMC Senior Living Cranberry Place.
Community

The University of Pittsburgh Medical Center is an equal opportunity employer. Policy prohibits discrimination or harassment on the basis of race, color, religion, national origin, ancestry, sex, age, marital status, familial status, sexual orientation, disability, or veteran status. Further, UPMC will continue to support and promote equal employment opportunity, human dignity, and racial, ethnic, and cultural diversity. This policy applies to admissions, employment, and access to and treatment in UPMC programs and activities. This commitment is made by UPMC in accordance with federal, state, and/or local laws and regulations.