Penn State Milton S. Hershey Medical Center
Section 401(k) Savings Plan

Summary Plan Description
as of July 1, 2013
INTRODUCTION

The Penn State Milton S. Hershey Medical Center Section 401(k) Savings Plan (referred to as the "Savings Plan" or "Plan" or "401(k) Plan") has been established to help you build toward financial security at your retirement. The benefits explained in this summary are in addition to any benefits you may qualify for under the Penn State Milton S. Hershey Medical Center Tax Sheltered Annuity Program (referred to as "Tax Sheltered Annuity" or "TSA"), and the Federal Social Security program.

This booklet summarizes the benefits, rights and obligations you have under the Plan as amended and restated January 1, 2012 and as in effect as of the date of this booklet, and supersedes any prior plan descriptions. We hope you will find this information helpful, but it is not a complete statement of all terms of the Plan. In any case in which there is a conflict between this summary and the Plan documents, the Plan documents will govern. If you have any questions after reading this summary, please contact the Department of Human Resources. You also have a right to review or receive a copy of the Plan documents.

Although the Penn State Milton S. Hershey Medical Center (referred to as the "Medical Center") intends to maintain the current Plan, it reserves the right to amend, modify or terminate it at any time.

What Is the Savings Plan?

The Savings Plan is the principal employer-provided retirement income source for employees of the Medical Center. It is a defined contribution pension plan intended to qualify as a profit sharing plan with a qualified cash or deferral arrangement under sections 401(a), 401(k) and 402A of the Internal Revenue Code of 1986, as amended ("Code"). Hence, the shorthand designation "401(k) Plan" is sometimes used to describe the Plan. The Medical Center makes contributions into the Plan on behalf of each Participant. Also, employees, if eligible under the Plan terms, may also have elective tax-deferred or Roth contributions made on their behalf. All contributions are made to the Plan by the Medical Center on behalf of the Participants.

What Does the Plan Mean to Me?

The Plan provides you with:

- Retirement income from contributions based on your Compensation, whether or not you elect to have the Medical Center make Elective Deferral Contributions or Roth Elective Deferral Contributions on your behalf.

- A way to reduce your current income which is subject to Federal income tax is through Nonelective Contributions and, if you are eligible, Elective Deferral Contributions to the Plan. These contributions and the investment return from them are not taxable to you, for Federal income tax purposes, until you receive a distribution.
• A way to contribute after-tax income by electing to make Roth Elective Deferral Contributions to the Plan, and receive distributions, including net earnings that accumulate on your Roth Elective Deferral Contributions, free of Federal income tax if you meet the applicable tax-free distribution rules.

• 100% Ownership of the value arising from Employer Contributions after five years of Vesting Service (three years for all Employer Contributions made after January 1, 2007). Your Nonelective Contributions, Elective Deferral Contributions and Roth Elective Deferral Contributions are always 100% vested.

• Normal retirement at age 65.

• Early retirement, following the later of age 55 or being credited with 10 years of Vesting Service.

• In-service withdrawals in certain situations.

• Disability benefits, under limited circumstances.

• Payout eligible for individual retirement account or annuity ("IRA") or other retirement plan rollover if you terminate employment.

• Benefits payable to your surviving spouse or other designated Beneficiary in the event of your death.

• Optional ways to receive your Plan benefits.

**When Do I Become a Participant in the Plan?**

Individuals who the employer considers to be eligible employees become participants in the Plan as a condition of their employment on the later of the date they reach age 18 or their date of hire. However, other than those employees represented by the Teamsters, who continue to be eligible in accordance with the prior sentence, employees hired on or after July 1, 2012 who meet the definition of eligible employee become participants for purposes of eligibility to receive the Basic Contribution on the later of the date they reach age 18 or complete six months of service. For these purposes, service is measured on an elapsed time basis beginning on date of hire.

The employer does not consider Medical Residents, Administrative Residents, Chaplaincy Residents, Consulting Physicians, student interns, externs, or persons classified by the employer as leased employees, consultants or independent contractors to be eligible employees. In addition, employees who are members of a collective bargaining unit must be covered by a collective bargaining agreement that specifically provides for their coverage under the Plan in order to be considered eligible employees.
What Terms Have Special Meanings?

Throughout this summary, you will come across words or terms that are used frequently. An understanding of these terms will help you understand your benefits better:

Beneficiary means your spouse (if you are married), or any person(s) you designate as your Beneficiary, including a trust, if you are unmarried or if you are married and your spouse consents in writing. You may select your Beneficiary by completing the beneficiary designation form approved by the Plan Administrator or on-line at www.GPSPlan.org. If you do not elect a Beneficiary, your Beneficiary predeceases you or your beneficiary designation fails for any reason, your benefits will now be automatically paid to your spouse or, if you do not have a spouse, to your estate.

Compensation means your annual salary or wages, Nonelective Contributions, Elective Deferral Contributions, contributions to the 457(b) Plan and the Tax Sheltered Annuity, contributions excluded from gross income under Code Section 125 (cafeteria plan) and any other salary reduction under 403(b), 457(b) and health and welfare programs, incentive compensation, bonuses, on-call pay, overtime and shift differential pay. Compensation does not include tuition assistance, reimbursements for expenses, payment for vacation not taken, personal holiday time, fringe benefits, moving expenses, other deferred compensation or welfare benefits. The maximum Compensation that may be considered under the Plan is limited by the Code.

Elective Deferral Contributions means the amount of your Compensation your employer remits to the Plan on your behalf based upon your deferral election, which is designated by you at the time of the deferral election as a tax-deferred Elective Deferral Contribution.

Employer Contributions means the amount your employer remits to the Plan on your behalf based on a formula approved by the Medical Center Board of Directors and reflected in the Plan document. These consist of Basic Contributions and Supplemental Basic Contributions, as may be applicable under the terms of the Plan, and are described under "How Much Does My Employer Contribute?"

Fund Managers means the corporations which, under contractual terms with the Medical Center, are authorized to direct the investment of Plan assets and perform recordkeeping functions. The Fund Managers are currently Fidelity Investments ("Fidelity"), TIAA-CREF and Great-West Retirement Services ("Great-West").

Geisinger Plan means the Penn State Geisinger Health System 401(k) Savings Plan, as in effect the day before July 1, 2000.

Medical Center means the Penn State Milton S. Hershey Medical Center, the Plan Sponsor.
*Plan Year* means the calendar year, January 1 through December 31.

*Roth Elective Deferral Contributions* means the amount of your Compensation your employer remits to the Plan on your behalf based upon your deferral election, which is designated irrevocably by you at the time of the deferral election as a Roth Elective Deferral Contribution and is treated as includible in your income.

*Valuation Date* means each business day.

*Vesting Service* means the service used to determine your right to receive benefits derived from Employer Contributions. For each Plan Year, you earn one year of Vesting Service if you are credited with at least 1,000 hours of service in that year; however, service before you reach age 18 is not included. In computing your Vesting Service, service credited while you were a participant under the Geisinger Plan will be taken into account. Vesting Service may also include service with other organizations, as may be determined by the Medical Center Board of Directors from time to time and provided specifically under the terms of the Plan. Currently, additional Vesting Service is available for certain service with Penn State Rehabilitation, Pinnacle Health, Lancaster General Hospital, effective March 1, 2012, Holy Spirit Hospital Cardiac and Thoracic Surgery Unit, and effective July 1, 2013, Mount Nittany Medical Center.

*Wage Base* means the maximum amount of wages subject to Social Security (FICA) tax for the year.

**What Does My Participation in the Plan Involve?**

As a participant in the Plan, the employer will automatically contribute 5% of your Compensation as a tax-deferred Nonelective Contribution. (Your Compensation will include that amount which will be paid into the Plan instead of paid to you directly.)

Also, if you are eligible, you may elect to have your Compensation further reduced and the employer will pay such Elective Deferral Contributions and/or Roth Elective Deferral Contributions into the Plan on your behalf instead of it being paid to you directly. If your annual compensation rate for the previous Plan Year exceeded $115,000 (in 2012) (or such other amount as is provided by the Code in determining who is a "Highly Compensated Employee"), you will not be eligible to make Elective Deferral Contributions and/or Roth Elective Deferral Contributions for the subsequent Plan Year (in 2013). These compensation limitations generally increase each year pursuant to IRS guidance.

With respect to Elective Deferral Contributions and/or Roth Elective Deferral Contributions, you may elect to have contributed on your behalf a whole percentage of your Compensation with a minimum of 1% and a maximum of that percent of your Compensation or a dollar amount that will not exceed the IRS limits on deferrals. Elective Deferral Contributions and/or Roth Elective Deferral Contributions, either alone or in combination, are limited to $17,500 in 2013 (unless you qualify to make "catch-up" contributions as described below). This limit may be adjusted annually by the IRS to reflect cost of living increases. You may change
the percentage or dollar amount or suspend your election at any time during the calendar year and that election will remain in effect during your continued eligibility to have Elective Deferral Contributions and/or Roth Elective Deferral Contributions made, unless you cancel or change such election or election amount by such means as approved by the Plan Administrator.

In order to make Elective Deferral Contributions and/or Roth Elective Deferral Contributions to the Plan, you must either log into your Great West (GPS Plan) account by going to www.gpsplan.org or contacting customer service at 1-866-986-9477 to elect the amount that you would like to have contributed on your behalf. Your Elective Deferral Contribution and/or Roth Elective Deferral Contribution election will be processed according to the payroll date listed on the website or given to you by customer service. The same process, as described above, is used to change your election and any change revokes your prior election.

The amount of Elective Deferral Contributions you contribute to the Plan is not included in your compensation for the year for Federal income tax purposes. Elective Deferral Contributions are subject to state and local income tax withholding if you work in Pennsylvania, and to Social Security (FICA) tax withholding. If, however, you elect to make Roth Elective Deferral Contributions in place of all or a portion of your Elective Deferral Contributions to the Plan, your Roth Elective Deferral Contributions will be subject to Federal (and possibly state and local) income tax in the year in which such Roth Elective Deferral Contributions are made.

Additionally, unlike Elective Deferral Contributions, which are subject to Federal income tax upon distribution from the Plan unless rolled over, all of the net earnings that accumulate on your Roth Elective Deferral Contributions can be distributed from the Plan totally free of Federal income taxes in certain circumstances. In order for a distribution of Roth Elective Deferral Contributions to be completely Federal income tax-free, that distribution: (1) must be made after the end of the five taxable year period beginning with the earlier of (a) the first taxable year for which you made a Roth Elective Deferral Contribution under the Plan, or, (b) if you made a rollover of Roth Elective Deferral Contributions to the Plan from another retirement plan, the first taxable year for which you made Roth elective deferrals under that other plan; and, (2) must be made after you reach 59-1/2, after your death, or after you become disabled. For most people, the taxable year is the same as the calendar year.

During any of your tax years (typically the calendar year) in which, or after, you attain age 50, if you are eligible to make Elective Deferral Contributions and/or Roth Elective Deferral Contributions, you may be eligible to make "catch-up" contributions as provided by the Code. For 2013, you may elect to make up to $5,500 in catch-up contributions as described in your Elective Deferral Contribution and/or Roth Elective Deferral Contribution election form. This means generally that, for 2013, you may elect to make a total of $23,000 in Elective Deferral Contributions and/or Roth Elective Deferral Contributions, rather than the $17,500 to which other Participants are limited. After 2013, the $5,500 limit may be adjusted by the IRS to reflect increases in the cost of living.

**NOTE:** Contributions which are made on your behalf to the Plan are subject to annual limitations set forth in the Code. Also, if you contribute to the Medical Center's Tax-Sheltered Annuity, the combined maximum elective deferral contribution for both plans (excluding any catch-up contributions) is $17,500 for 2013, or such other amount as provided in
the Code. This annual limitation may increase in future years pursuant to IRS requirements regarding cost of living adjustments. If, as a result of your participation in more than one plan (including plans of other employers) or for any other reason, your aggregate elective deferral contributions exceed the relevant dollar limitation, the excess will be treated as taxable income for Federal income tax purposes in the year in which the excess arises. Your excess contributions, plus any earnings or less any losses, must be returned to you by April 15 of the following year. In order to arrange for such return, you must notify the Plan Administrator, in writing, by March 1 of that following year, of the dollar amount of such excess contribution made to this Plan. In addition, you may specify in the notice, or otherwise in writing by March 1, whether the distribution of your excess contributions is to be made from your Elective Deferral Contributions, Roth Elective Deferral Contributions, or both. If both, you must specify the amount from each source. Your failure to specify the source, or the amount from each source, will result in the distribution of your excess contributions being taken pro rata from both your Elective Deferral Contributions and Roth Elective Deferral Contributions made in that year.

How Much Does My Employer Contribute?

In addition to the Nonelective Contributions and Elective Deferral Contributions and/or Roth Elective Deferral Contributions, your employer will contribute as an annual Basic Contribution an amount equal to 5% of your Compensation up to the FICA Wage Base and 10% of any Compensation above the FICA Wage Base. Compensation in excess of $255,000 (for 2013) as indexed, is not eligible for a contribution (including for Nonelective Contributions and Elective Deferral Contributions and/or Roth Elective Deferral Contributions).

Additionally, the Employer will make a further Basic Contribution for each participant who transferred to coverage under the Geisinger Plan from the Medical Center in 1997, who was at the time of such transfer a participant in the State Employees Retirement System, and who had such contributions made on his behalf under the Geisinger Plan immediately prior to transferring back to the Medical Center. That further contribution is equal to 2.5% of such participant's Compensation and is referred to as the SERS supplemental contribution.

Also, the Employer will make a Supplemental Basic Contribution for certain physician participants who are considered "highly compensated employees" under IRS standards, but who earn less than $150,000 per year. The Supplemental Basic Contribution will be an amount equal to the Basic Contribution the physician would have received had the physician earned $150,000, less the Basic Contribution he actually received under the Plan (including the SERS Supplemental Contribution). The Supplemental Basic Contribution is made on December 31 of each Plan Year, or as soon as practical thereafter. Employees who earned more than $115,000 in 2012 are considered highly compensated employees for 2013.
How Are Transfers Handled?

The Plan will accept a transfer of assets rolled over to this Plan from another tax-qualified plan (excluding after-tax contributions), a 403(b) plan (excluding after-tax contributions), and a 457(b) plan (maintained by a governmental entity), or an individual retirement account or annuity, in the form of cash only, on behalf of any eligible employee, in accordance with the Plan Administrator's procedures. In addition, the Plan will accept a rollover to your Roth Elective Deferral Contributions account if the rollover is a direct rollover from another eligible retirement plan's Roth elective deferral account. Any amount transferred from a Roth account will be credited to your Roth Elective Deferral Contributions account and treated as part of that account in all respects.

The Plan will also accept transfers of an eligible employee's account from the Geisinger Plan in cash or in kind in accordance with procedures established by the Plan Administrator.

How Is My Account Maintained?

Your employer will establish an account for you. Your Nonelective Contributions, Elective Deferral Contributions, Roth Elective Deferral Contributions, Basic Contributions and Supplemental Basic Contributions to the Plan are accounted for separately. Contributions made on behalf of Plan participants and by the employer to provide Plan benefits are paid to the Fund Managers, who are responsible for investing the money (in accordance with your investment directions) and for the payment of benefits. Changes in the value of these account assets are allocated as of each Valuation Date in proportion to the account balances.

When May I Retire?

Normal Retirement

Your normal retirement date is the first day of the month that coincides with or immediately follows your reaching age 65. You may continue to work and remain eligible for Basic Contributions (and Supplemental Basic Contributions, if applicable) and to have the employer make Nonelective Contributions and Elective Deferral Contributions and/or Roth Elective Deferral Contributions on your behalf beyond age 65.

Early Retirement

If you are between ages 55 and 65 with at least 10 years of Vesting Service, you are eligible to retire.

Disability Retirement

If you have been declared eligible to receive disability benefits under the employer's long-term disability plan or under the Federal Social Security Act, you will automatically be considered disabled for Savings Plan purposes and may apply for disability retirement.
How Will My Account Be Paid Out?

When you retire, you will receive your benefit as:

(1) A single sum cash payment, which is the normal form of benefit; or

(2) You may elect to have your benefit paid as an annuity. If you elect an annuity in lieu of the normal form of benefit, you may elect a straight life annuity, a 100% or 50% joint and survivor annuity. You may also elect to have your benefit paid in any of the following forms of benefit:

Installment Payments Not to Exceed 10 Years
15 Year Certain and Continuous Annuity
15 Year Certain Only Annuity

If you are married, your spouse's consent is required if you elect a distribution other than the single sum cash distribution or the 100% or 50% joint and survivor annuity option, or if you designate a beneficiary other than your spouse.

You may elect a form of payment for your Roth Elective Deferral Contributions account which is different from the form of payment elected for your other accounts.

As explained in more detail on page 17, you should contact the appropriate Fund Manager(s) to request a distribution from your Plan account.

NOTE: Some of the Fund Managers may not be insurance companies or may not offer annuities. If this is the case and you elect an annuity, the Plan Administrator will direct the applicable Fund Managers to pay over your account balance to an insurance company. The insurance company, in turn, provides the annuity. The Plan Administrator screens and selects the companies which are asked to bid on each annuity purchase. The bid is awarded to the company which will provide the most favorable benefit.

Waiver of 30-Day Notice Period

In accordance with certain legal requirements, a distribution cannot be made until 30 days after you receive a special tax notice regarding Plan distributions (the "waiting period"). This waiting period is intended to give you adequate time to make an informed decision about the payment of your benefits. You can waive the waiting period by filing an application for benefits before the end of the waiting period. If you waive the waiting period, payment will be made before the end of the waiting period if it is administratively possible to do so, but it may still take more than 30 days to process the payment.

How Are Rollovers Handled?

If you (or your spouse or a former spouse who is an alternate payee under a qualified domestic relations order) receive a single sum payment under the Plan, all or a portion
of the payment may be eligible to be transferred directly from the Plan to an IRA or to another employer's retirement or annuity plan in which you participate, if that plan accepts rollover distributions. If a portion of the payment consists of after-tax contributions that are not includible in gross income, such portion may be transferred only to an IRA or to a retirement or annuity plan of another employer that agrees to separately account for amounts so transferred, including separately accounting for the portion of such payment that is includible in gross income and the portion of the payment that is not so includible. Direct rollovers may also be made to a Roth IRA. Roth Elective Deferral Contributions may only be rolled over to another eligible retirement plan's Roth elective deferral account or to a Roth IRA. If you do not choose a direct rollover, any eligible rollover distribution of $200 or more will have 20% of the taxable amount deducted for required Federal income tax withholding; provided, however, you may receive Roth Elective Deferral Contributions distributions, including net earnings that accumulate on your Roth Elective Deferral Contributions, free of Federal income tax if you meet the applicable tax-free distribution rules. Hardship withdrawals are not eligible for direct rollover.

In contrast, distributions to non-spouse Beneficiaries are eligible for direct rollover, but non-spouse Beneficiaries can only make a direct rollover to (1) an inherited traditional IRA, or, (2) under the circumstances described above, an inherited Roth IRA (an inherited Roth IRA is one set up to reflect that the funds in it belong to a beneficiary of an individual who has died). If a non-spouse Beneficiary does not elect to make a direct rollover, the distribution will be paid in cash to the Beneficiary, but that amount will not be subject to mandatory 20% Federal income tax withholding and it cannot be rolled over by the Beneficiary at any later date.

The Plan Administrator may also establish certain rules and procedures for making direct rollovers. More details concerning your payment options will be provided to you before payments begin. Because tax laws are complicated and are subject to change, you should obtain tax advice before taking a distribution from the Plan.

When Must My Account be Paid Out?

You must begin receiving distributions no later than the April 1 of the calendar year following the calendar year in which you reach age 70-1/2 or terminate employment, whichever occurs later. To the extent possible, minimum required distributions will be made first from accounts other than your Roth Elective Deferral Contributions account.

When Do I Become Vested In Basic Contributions and Supplemental Contributions?

Vesting means the point at which you acquire ownership of a specified portion of your account value which arises from your Basic Contributions (and Supplemental Basic Contributions, if applicable), in the event your employment ends before you elect retirement. The different vesting levels are as follows:

(1) At death, if you are employed by the Medical Center - 100%;

(2) At age 65, if you are employed by the Medical Center - 100%;
(3) a. For contributions made prior to January 1, 2007:

After five years of Vesting Service - 100%;

b. For contributions made on or after January 1, 2007:

After three years of Vesting Service – 100%;

(4) In the event of total and permanent disability - 100%;

(5) In the event the Plan becomes "Top-Heavy" - See below; and

(6) Special vesting rules apply to certain employees who transferred to the Pennsylvania Psychiatric Institute on April 1, 2008, as determined by the Board. You should contact the Plan Administrator if you have questions regarding your transfer to the Pennsylvania Psychiatric Institute.

What Happens If the Plan Becomes Top-Heavy?

The Internal Revenue Code specifies that special vesting rules apply if a qualified plan becomes "top-heavy". If it should happen that more than 60% of a plan's benefits are held for the most highly paid employees, the plan will be "top-heavy". It is highly unlikely that this will happen under the Plan. If the Plan does become top-heavy, however, the vesting schedule for account values derived from Employer Contributions will be as follows, to the extent the normal vesting schedule is more restrictive:

<table>
<thead>
<tr>
<th>Years of Vesting Service</th>
<th>Vested Interest</th>
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<tbody>
<tr>
<td>Less than 2</td>
<td>0%</td>
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<tr>
<td>2 but less than 3</td>
<td>20%</td>
</tr>
<tr>
<td>3 but less than 4</td>
<td>40%</td>
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<tr>
<td>4 but less than 5</td>
<td>60%</td>
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<tr>
<td>5 but less than 6</td>
<td>80%</td>
</tr>
<tr>
<td>6 or more</td>
<td>100%</td>
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What If I Terminate Service Before I Retire?

You are always 100% vested in the amount of your Nonelective Contributions, Elective Deferral Contributions and Roth Elective Deferral Contributions, and the earnings thereon. In addition, if you terminate service after becoming fully vested in your Basic Contributions (and Supplemental Basic Contributions, if applicable) you will be entitled to the vested value of your account. At the time of termination, you will be able to indicate the distribution method for your vested account balance. Forms of payment are described under "How Will My Account Be Paid Out?" Subject to the "Small Benefit Amounts" provisions described below, you may elect to have your payment deferred to as late as age 70-1/2.
Small Benefits Amounts

Whenever the present value of your account at the time of your termination or date of distribution is less than $1,000 (including any rollover contributions) ($5,000 in the case of your surviving spouse or alternate payee, or if you have reached age 65), the Plan Administrator may direct the Fund Managers to make an immediate lump sum payment in lieu of monthly payments to you or your Beneficiary, without your or your Beneficiary’s consent. Such small benefits amounts are paid out annually.

What If I Should Die?

After Payments Begin

Upon your death after payments have begun, the benefit payable to your surviving spouse, or other designated Beneficiary, will be determined by the form of benefit you had elected. For example, if you had chosen a 50% joint and survivor annuity with your spouse as the survivor annuitant, and your spouse is still living when you die, he or she will receive, for the rest of his or her life, monthly payments equal to 50% of the amount of the monthly benefit you were receiving. If you elect the Life Annuity, no benefits will be payable to anyone after your death.

Before Payments Begin

If your account balance is $1,000 or less (including any rollover contributions) ($5,000 in the case of your surviving spouse or alternate payee, or if you have reached age 65), it will be paid in a single sum. If you die before payments have begun and there is no designated Beneficiary as of September 30 of the year following your death, generally, payments must be completed by December 31 of the calendar year containing the fifth anniversary of your death. If your Beneficiary is your spouse, payments may be made over the life of your spouse and must commence by the later of (i) December 31 of the calendar year immediately following the calendar year in which you died, or (ii) December 31 of the calendar year in which you would have attained age 70-1/2. If your Beneficiary is your designated Beneficiary other than your spouse, payments may be made over such Beneficiary’s life commencing on or before December 31 of the calendar year immediately following the calendar year in which you die. If you did not elect a form of distribution prior to your death, your Beneficiary may elect any of the forms available under the Plan.

May I Receive Amounts From My Account While Employed?

Except as described in this section, you may not receive distribution of any part of your account until the earliest of the following dates: your retirement, death, disability, or termination of employment. There are two limited circumstances under which you may receive amounts from your account while you are employed, which are as follows:

Hardship Withdrawal

If you have an emergency which is likely to cause you severe financial hardship and falls within the definition of a “hardship event” under applicable Plan administration
guidelines and Internal Revenue Code regulations, you may withdraw up to 100% of your Nonelective Contributions, Elective Deferral Contributions and Roth Elective Deferral Contributions from the Plan, provided such amount is not in excess of the amount necessary to satisfy your financial need. The amount of the financial need may include any amount necessary to pay any Federal, state or local income taxes or penalties reasonably anticipated to result from the distribution. You may elect that the hardship withdrawal be made first from your Nonelective Contributions and Elective Deferral Contributions accounts and then, only if such accounts are exhausted, from your Roth Elective Deferral Contributions account. You must make your request for a withdrawal in accordance with procedures established by the Plan Administrator, who will act on such requests in a uniform and nondiscriminatory manner.

Any participant requesting a hardship withdrawal will need to document the nature of the hardship event and provide a statement that he or she (a) has exhausted all borrowing capability under the Plan and/or the Tax-Sheltered Annuity; and (b) has no other resources reasonably available from which to meet the financial need. The statement and request must be submitted on the form approved by the Plan Administrator and be submitted to the Plan Administrator for consideration. All requests will be considered by the Plan Administrator under rules that must be uniformly and consistently applied in a nondiscriminatory fashion. Only one (1) hardship withdrawal is allowed per calendar year for each participant. There is no administrative fee charged when you take a hardship withdrawal or to process the hardship withdrawal.

A hardship event will be deemed to exist if the foregoing conditions are met, and if the financial need is a consequence of:

(1) Unreimbursed medical expenses described in Code Section 213(d) previously incurred by you or your spouse or domestic partner, children or other dependents (as defined in Code Section 152), or amounts necessary for those persons to obtain medical care described in Code Section 213(d) which will not be reimbursed;

(2) Costs directly related to the purchase of a principal residence for you (excluding mortgage payments);

(3) Payments of tuition, related educational fees, and room and board expenses for up to the next 12 months of post-secondary education for you or your spouse, children or other dependents (as defined in Code Section 152);

(4) Payments necessary to prevent the eviction of you from your principal residence or foreclosure on the mortgage on your principal residence;

(5) Payment for burial or funeral expenses for your deceased parent, spouse, domestic partner, children or other dependent (as defined in Code Section 152);

(6) Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under Code Section 165 (determined
without regard to whether the loss exceeds 10% of adjusted gross income); or

(7) Any financial need, other than one of those set forth above, which the Plan Administrator may determine to be consistent with the published revenue rulings, notices or other documents of general applicability promulgated by the IRS.

If you receive a hardship distribution, your right to make Elective Deferral Contributions and/or Roth Elective Deferral Contributions will be suspended for a period of 6 months following the date you receive the distribution.

**Age 59-1/2 Withdrawal**

Upon attaining age 59-1/2, or any time thereafter, you may elect to take a one-time withdrawal in an immediate lump sum of all or any part of your vested account balance in accordance with the Plan Administrator's procedures. You may, however, make a separate withdrawal election with respect to your Roth Elective Deferral Contributions account.

**Loans from the Plan**

The Plan Administrator administers the loan program and has established the Penn State Milton S. Hershey Medical Center Section 401(k) Savings Plan and Tax Sheltered Annuity – 403(b) Program Loan Policy Administration procedures (the "Loan Policy"), which is attached to this summary as Appendix A. You should refer to the attached Loan Policy for important information and details about the loan program and any fees associated with a loan from the Savings Plan.

Generally, you may borrow up to $50,000 or 50% of your vested account balance, whichever is less, from the Plan. If you have an outstanding loan from the Tax Sheltered Annuity, the maximum loan amount will be reduced by the highest outstanding loan balance during the past 12 months so that the aggregated loan amount from all plans is the lesser of $50,000 or 50% of your vested account balance. The minimum loan is $500. You may elect that a loan be made from your Pre-Tax Contributions subaccount prior to using your Roth Elective Deferral Contributions subaccount as the source of your loan proceeds.

To apply for a loan, you may contact customer service at the following: Fidelity at 800-343-0860, TIAA-CREF at 800-842-2252 or www.tiaa-cref.org, or Great-West at 866-986-9477 or www.gpsplan.org. Loan application forms can be obtained in person, by mail, or by any other means provided by the Plan Administrator. You must be actively employed by the Medical Center and have a minimum account balance of $1,000 at the time the loan is made.
INVESTMENT OF CONTRIBUTIONS

Can I Direct Investment of My Account?

**Investment of Contributions**

Although separate accounts are kept for recordkeeping purposes, all assets in the Plan are actually sent to the Fund Managers, who hold the funds and administer them according to an agreement between the Fund Managers and the Trustee. You are entitled to choose how your account will be invested from among the investment funds made available under the Plan. The investment funds available under the Plan can be changed or terminated at any time at the sole discretion of the Plan Administrator.

**Information Concerning Investment Options**

The Plan Administrator will periodically provide general information and updates about the available investment options. Those summaries will include sample rates of return and comparisons of investment fund performance over time. Additional material may also be distributed from time to time as it is provided by the separate investment funds, such as their summaries of performance, annual reports, and prospectuses. Investment information is also available through Fidelity at 800-343-0860 or www.fidelity.com, TIAA-CREF at 800-842-2252 or www.tiaa-cref.org, or Great-West at 866-986-9477 or www.gpsplan.org.

Keep in mind that past performance is no guarantee as to the future performance of any investment fund.

**Making Your Investment Choice When You Enroll**

When you enroll in the Plan, you will make your first investment choice. You can invest in one, several, or all of the available investment funds. You may elect the amount you would like to invest in each investment option by whole percentages. You may make an election with respect to your Roth Elective Deferral Contributions subaccount which is separate from the election that is applicable to your other subaccounts. There are no limits on the number of available investment funds you may choose.

The investment election which you make when you enroll in the Plan will apply to future contributions until you change your election via the respective websites or phone numbers for Fidelity, TIAA-CREF or Great-West, as provided under "Information Concerning Investment Options", above, and "Other Important Names and Addresses", later in this summary.

Any contributions that you make to the Plan on or after your date of hire, will be sent by the employer to Great-West and are allocated, according to your investment election, in and among any of the mutual or other investment funds made available by Great-West under the Plan. If you do not make an investment election with respect to that part of your account held by Great-West on or after your date of hire, such amounts will automatically be invested by Great-West in a Target Date Retirement Fund, based on the year that is closest to the year in which you will attain age 65. The Plan Administrator may change or eliminate any of the funds available for investment, including the composition of the default investment fund.
Changing Your Investment Choice for Future Contributions

You can change your investment choice as to future contributions daily, as often as you wish, through the use of the applicable telephone numbers or websites. Your investment change for future contributions will be effective with the next contributions that are processed after your request is received, and will remain in effect until you make another change.

Changing Your Investment Choice for Existing Account Balances

You can change the investment of your account balances among the available investment options through the use of the telephone numbers or websites on a daily basis (unless restricted as described below under "Trading Restrictions"). Depending on when you make your change, it will be effective on the next business day.

Trading Restrictions

The Plan is intended to encourage the long-term accumulation of money for retirement. Consistent with this objective, the investment options are not designed to accommodate frequent transfers into and out of the funds that may negatively affect the performance of the fund and other participants (for example, late trading, day trading, or market timing).

Procedures to discourage these activities may be established by the Plan Administrator, the Fund Managers or others providing investment or administrative services to the Plan. The procedures may include monitoring large or frequent transactions, or placing limits or penalties on the frequency of investment directions, transfers in and out of a particular fund, or the dollar value of transactions. In addition, transactions may be monitored and abusers may be warned in writing, while those who continue the activity after a warning may be required to submit future transaction requests in writing by mail.

Procedures and restrictions may be changed from time to time. For more information on any trading restrictions that may apply to the Plan, please contact the Plan Administrator at the address shown in the section entitled "Other Important Names and Addresses".

Investment Risk

Each participant assumes all risks connected with any decrease in the market value of any of the assets held in any investment fund. The Plan is intended to constitute a participant-directed plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and Section 2550.404c-1 of Title 29 of the Code of Federal Regulations. Accordingly, the fiduciaries of the Plan may be relieved of liability for any losses which are the direct and necessary result of investment instructions given by participants. Fidelity, TIAA-CREF and Great-West are responsible for collecting the participant investment instructions, while the Recordkeeper and Plan Manager are responsible for providing or making available to participants information about the funds as required by ERISA.
The Trustee, the Plan Administrator, the Plan Manager, the Recordkeeper, and the Medical Center do not guarantee any fund against loss or depreciation of value or payment of any amount out of any fund, and none of them will be legally responsible for any losses, except to the extent required under ERISA. No employee of the Medical Center is permitted to give investment advice, and the fact that a particular investment fund is available under the Plan is not a recommendation. Before making your choices as to the various investment funds, you are encouraged to read the prospectus or other financial information describing the investment objectives and performance of each of the available investment funds.

**VALUATION OF FUNDS AND ADJUSTMENT OF ACCOUNTS**

**Valuation**

The Trustee determines the fair market value of the investment funds on each business day on which the New York Stock Exchange is open for business. Each participant's account is then adjusted upward or downward proportionately to reflect any increase or decrease in the value of the funds as a whole.

**Quarterly Statements**

After the end of each calendar quarter (calendar quarters end on the last day of March, June, September, and December), you will receive a statement of your account showing the balance at the end of the quarter. These statements are prepared by the Plan's Recordkeeper.

**Can I Lose Any of My Benefits from This Plan?**

Although you may intend to continue your employment until retirement, there may be a time when your personal situation will prevent you from carrying out your intentions. Consequently, you should be aware of the following circumstances which could cause you to lose or forfeit part of your account under the Plan.

**Termination**

If your employment terminates before you reach age 65 and before you have been credited with at least three years of Vesting Service (five years of Vesting Service for contributions made prior to January 1, 2007), you will not be eligible for any benefits deriving from Basic Contributions and Supplemental Basic Contributions, as applicable, and will lose any Vesting Service you have accumulated in the Plan, unless you return to employment within the time period discussed under "Can I Get Back Any Service If I Am Re-Employed?" Vesting Service is used to determine whether you are entitled to the account value deriving from your Basic Contributions and Supplemental Basic Contributions, as applicable. You are always 100% vested in the amount of your Nonelective Contributions, Elective Deferral Contributions, Roth Elective Deferral Contributions and transfer, rollover, and Geisinger Plan amounts under the Plan, plus earnings thereon.

**Break in Service**

If you have a break in service before becoming 100% vested in your Basic Contributions and Supplemental Basic Contributions, as applicable, that is, if you are credited with 500 or fewer hours in a Plan Year, you will be treated as if you had terminated your employment, as far as the Plan is concerned. Approved leaves of absence do not constitute a
break in service. Also, if you have an approved or legally required leave of absence to serve in the U.S. Military or pursuant to the Family and Medical Leave Act of 1993, you will not have a break in service provided you return to employment within the time period specified by law. With respect to service in the U.S. Military, upon your return, you may even be eligible to make up Nonelective Contributions, Elective Deferral Contributions and Roth Elective Deferral Contributions, and to receive Basic Contributions and Supplemental Basic Contributions which could have been made on your behalf under the Plan had you not been serving in the military. You should consult the Plan Administrator if these circumstances apply to you.

**Can I Get Back Any Service If I Am Re-Employed?**

If you are re-employed, you will always receive credit for your Vesting Service.

**Can I Get Back Previously Forfeited Amounts If I Am Re-Employed?**

Your forfeited Basic Contributions and Supplemental Basic Contributions, as applicable, will be restored if you did not take any distribution from the Plan at the time of your previous termination, or if you repay any distributed amounts to the Plan within 5 years of your return to employment.

**What Happens to Forfeited Amounts?**

Forfeitures are first used to reinstate previously forfeited amounts (as described above). If there are remaining forfeitures, then they will be used toward the Basic Contribution or to pay Plan administrative expenses.

**How Is The Plan Administered?**

The Retirement Management Committee administers the Plan and is the "Plan Administrator" as that term is defined by ERISA. The Plan Administrator has the discretionary authority and responsibility: (1) to interpret and apply the Plan's provisions in its sole discretion, (2) to interpret the Plan in order to make eligibility and benefit determinations as it may determine in its sole discretion, (3) to make factual determinations as to whether any individual is entitled to receive any benefits under the Plan, and (4) to make the rules and regulations necessary for the day-to-day operation of the Plan.

**How Do I File for Benefits Under The Plan?**

When you wish to file for benefits under the Plan, you should contact the Plan Administrator, or, depending on your Fund Manager, you may contact Fidelity at 800-343-0860 or www.fidelity.com, contact TIAA-CREF at 800-842-2252 or www.tiaa-cref.org, or contact Great-West at 866-986-9477 or www.gpsplan.org.

**Denial of Benefits**

If an application or claim for benefits is denied either partially or completely, you will receive a denial notice in writing within 90 days after your application or written claim is received. If special circumstances require an extension of time of up to an additional 90 days for
processing your application or claim, you will be sent a denial notice within 180 days. If an extension is required, you will receive written notice of the extension within the first 90 days. The written extension notice will explain why the extension is necessary and will indicate when a decision is expected to be made with respect to the application or claim.

The denial notice will include the reasons for the denial; references to relevant Plan provisions upon which the denial is based; a description of any additional material needed to process your application or claim and an explanation of why that information is needed, if applicable; and an explanation of the procedure for filing an appeal, including information about time limits and the ability to bring a court action under Section 502 of ERISA if the application or claim is denied on appeal. The notice will also contain a statement that you will be provided, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to your claim for benefits.

**Appeal of Denial**

If an application or claim for benefits is denied, you or the person making the application (the "claimant") and/or the claimant's representative may appeal. The appeal must be made in writing to the Plan Administrator (at the address listed in the "Other Important Names and Addresses" section at the end of this summary) and must be received by the Plan Administrator within 60 days after the denial notice is received by the claimant.

In connection with the appeal, the claimant or the claimant's representative may provide the Plan Administrator with written comments, documents, records, and other information that relates to the claim for benefits, whether or not it was part of the original claim for benefits. The claimant will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information that is relevant to the claim for benefits. At the Plan Administrator's option, the Plan Administrator may arrange to meet or talk personally with the claimant and/or the claimant's representative or have a hearing for the purpose of understanding the claimant's position and any related evidence that the claimant may wish to offer.

**Decision on Appeal**

The Plan Administrator will review the appeal, and will take into account all comments, documents, records, and other information submitted by the claimant or the claimant's representative, regardless of whether that information was submitted or considered when the initial decision was made with respect to the benefit application or claim. Normally, the Plan Administrator will make a decision within 60 days after receiving the written request for appeal. If special circumstances require an extension of time, for example, if the Plan Administrator decides to hold a hearing, the Plan Administrator will make a decision within 120 days after receiving the written appeal. If an extension is required, the claimant will be sent a written notice of extension within 60 days after the Plan Administrator receives the written appeal. The written extension notice will explain why the extension is necessary and will indicate when a final decision is expected to be made with respect to the appeal.
If the claim is denied on appeal, the Plan Administrator's decision will be provided in writing to the claimant, and will contain specific reasons for the decision and specific references to the relevant Plan provisions upon which the decision is based. The notice will also contain a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claimant's claim for benefits, and a statement of the claimant's right to bring a court action under Section 502 of ERISA.

If you, your surviving spouse, or your Beneficiary wish to preserve any legal rights to a benefit from the Plan, the claims and appeal procedures described above must be carefully followed. Generally, you must exhaust your administrative appeal rights under the Plan before you can bring a suit in Federal court.

**Is There Anything Else I Should Know?**

Your employer fully intends to continue the Plan indefinitely and to meet any foreseeable situations that may occur. However, the Medical Center does reserve the right to amend the Plan, terminate it, or discontinue contributions at any time. If the Plan is terminated, the accounts of all participants affected by the termination will become 100% vested and will be distributed according to the Plan document.

Benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation ("PBGC"). ERISA specifically excludes plans such as this from coverage under the PBGC insurance program because there are separate accounts for each participant which equal the benefits under the Plan, and the accounts will be distributed or continue to be held for the participants in the event of a Plan termination.

**Assignments of Benefits**

For the protection of your interests and those of your Beneficiaries, your benefits under the Plan cannot be assigned or pledged by you and are not subject to garnishment or attachment by your creditors. The Plan will not recognize any assignment, transfer, pledge or sale of your benefits, except in the case of (1) a qualified domestic relations order, as described in the next paragraph, or (2) a court order or certain other legal documents which require your account balance to be reduced as a result of your fiduciary breach or criminal activity involving the Plan. No part of your Plan assets may be used for any purpose other than to benefit you or your Beneficiary, except that reasonable expenses for the administration of the Plan may be retained by the Fund Managers.

**Qualified Domestic Relations Orders**

All or any part of your vested account balance under the Plan may be paid to a former spouse or other payee (sometimes referred to as an "alternate payee") if the Plan Administrator is served with a domestic relations order that the Plan Administrator determines to be a qualified domestic relations order ("QDRO"). A QDRO is most often a state court order relating to child support, alimony, or the division of marital property. The order must comply with applicable law and must be approved and accepted by the Plan Administrator or its delegate as a QDRO. Domestic relations orders should be filed with the Plan Administrator at the address
shown at the end of this summary entitled "Other Important Names and Addresses", and copies of the Plan's QDRO procedures can be obtained without charge by contacting the Plan Administrator.

An alternate payee under a QDRO may be paid a benefit at the time specified in the QDRO, even though that may be before the date on which you would attain "earliest retirement age".

As soon as possible after a divorce, the Plan Administrator should be furnished with a copy of the section of the equitable distribution arrangement and the domestic relations order that establishes spousal rights, if any, to a participant's account balance.

**Other Important Names and Addresses:**

1. Name of Plan Sponsor:
   
   Penn State Milton S. Hershey Medical Center (the "Medical Center")

2. The Internal Revenue Service has assigned to the Medical Center employer identification number:
   
   25-1854772

3. The Medical Center has assigned to the Plan the plan number:
   
   003

4. The employer who contributes to the Plan on behalf of its employees is:
   
   The Medical Center

5. Agent for Service of Legal Process:
   
   Human Resources Department, Retirement Plan Administrator
   Penn State Milton S. Hershey Medical Center
   P. O. Box 855, MC-A590
   600 Centerview Drive
   Hershey, PA  17033-0855

   Service may also be made on any of the Trustees.
6. Plan Trustees:

(a) Fidelity Management Trust Company
    82 Devonshire Street
    Boston, MA 02109

(b) TIAA-CREF
    730 Third Avenue
    New York, NY 10017

(c) Wells Fargo Bank, N.A.
    1740 Broadway
    MAC # C7300-105
    Denver, CO 80274-8697

7. Plan Recordkeepers/Fund Managers

(a) Fidelity Investments
    P.O. Box 770002
    Cincinnati, OH 45277-0090
    800-343-0860
    www.fidelity.com

(b) TIAA-CREF
    730 Third Avenue
    New York, NY 10017
    800-842-2252
    www.tiaa-cref.org

(c) Great-West Retirement Services
    8515 East Orchard Road
    Greenwood Village, CO 80111
    866-986-9477
    www.gpsplan.org

8. Plan Administrator:

Penn State Milton S. Hershey Medical Center
P. O. Box 855, MC-A590
600 Centerview Drive
Hershey, PA 17033-0855
Phone No. (717) 531-7265

9. Type of Plan:

Defined contribution profit-sharing plan with a cash or deferred arrangement (401(k) feature)

10. Type of Plan Administration:

Trusted

11. Plan Year End:

December 31
Your Rights Under the Employee Retirement Income Security Act of 1974 ("ERISA")

U.S. Department of Labor regulations require that you be informed as to whether the benefits under the Plan are insured under Title IV of ERISA in the event of Plan termination. Your benefits under the Plan are not insured because the Plan is a 401(k)-defined contribution plan which is not covered by Title IV of ERISA. However, your benefits are provided from your account balance, and, as previously discussed, in the event of Plan termination, your account balance will become fully vested.

U.S. Department of Labor regulations also require that you receive certain information regarding your rights under ERISA. The following statement regarding these rights was drafted by the U.S. Department of Labor and published in its regulations. It is reproduced word for word, except that certain portions which are not applicable to the Plan have been deleted. Neither the Medical Center nor the Plan Administrator takes any responsibility for the accuracy or completeness of any assertion in the quoted portion of this statement.

"As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

**Receive Information About Your Plan and Benefits**

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites, all documents governing the plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The 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 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 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 Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration."