Your Retirement at
Nationwide Children's Hospital

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RETIREMENT PLANNING FOR YOUR FUTURE

The successful practice of medicine demands the most advanced tools available, and professionals with the training and skill to use them effectively. Successful retirement planning demands nothing less. As an employee of Nationwide Children's Hospital you have the opportunity to participate in a retirement program that's been designed especially for you. No matter where you are in your career, saving money for retirement isn't easy. Living expenses go up, taxes increase and there always seems to be something else claiming your immediate financial attention. That's why we believe that through the Basic Pension Plan and a Tax-Deferred Annuity (TDA) Plan with a Matched Savings Plan, you will be prepared to meet your retirement needs. The information provided in the following pages represents an overview of both plans. To begin participation, please stop by the Human Resources Department to pick up the enrollment materials.

THE BASIC PENSION PLAN

***Nationwide Children's Hospital Basic Pension Plan** is a defined contribution plan. This means that contributions are made on your behalf and are invested by you among a variety of investment choices in an account in your name. The amount of income you receive at retirement will be based on the amount of funds contributed, the investment earnings of those funds, your age at the time you begin receiving benefits, and the type of payment you choose. And your benefits are portable, which means that if you leave Children's, you are able to take your vested benefits with you to the next employer.**

Eligibility & Vesting

You automatically become eligible to participate in the Basic Pension Plan upon hire provided you work at least 1,000 hours in a calendar year. Vesting is a 5-year graded schedule. 20% after 2 service years, 40% after 3 service years, 60% after 4 service years and 100% after 5 service years. This means that after two years you have the right to a percentage of the retirement benefits in your account when you reach the plan's normal retirement age, regardless of whether or not you are with Nationwide Children's Hospital.*

Allocation of Contributions

You can also change how your contributions are allocated between the available investment choices anytime just by making a phone call or via the Internet.

Contributing

The amount of your Basic Pension Plan contributions is based on a percentage of your salary. That percentage is based on your years of service and the amount of your pay not covered by Social Security. Generally, your years of service are the years you work 1,000 or more hours at Nationwide Children's Hospital beginning with your date of hire. The amount of your pay that is covered by Social Security is determined by the federal government and changes over time.

See the table below to determine the percentages that would apply to you.

* within provisions of the plan document

Length of Service	Pension Pension Contribution as a Percent of Pay Covered by Social Security	Contribution as a Percent of Pay Not Covered by Social Security
1-4 Years	4%	8%
5 + Years	5%	10%

THE TAX-DEFERRED ANNUITY PLAN

Along with the Basic Pension Plan and your Social Security payments, personal savings and investments play an important role in building the financial security you want for your future. It's no secret that a personal savings program designed to save money on a regular basis can help make the kind of retirement you want become a reality.

*In addition to the Basic Pension Plan, Nationwide Children's Hospital offers a **TDA Plan with a Matched Savings Plan** which offers you a combination of tax advantages and added incentive for you to save some of your own dollars for your future financial security.*

Eligibility & Vesting

All employees who receive regular earnings payments can make personal contributions immediately and those employees who qualify are enrolled automatically in the Matched Savings Plan. Vesting for hospital contributions follow the 5-year graded schedule. 20% after 2 service years, 40% after 3 service years, 60% after 4 service years and 100% after 5 service years.

Before-tax Contributions

Making contributions on a before-tax basis means that all of your contributions are made before federal and state income taxes are withheld.

The Matched Savings Plan

Nationwide Children's Hospital will match the contributions you make to the TDA Plan by contributing an amount equal to half of the first 3% of pay that you save. For every dollar you elect to save, Nationwide Children's Hospital will match that amount with an additional 50 cents, up to a maximum Hospital contribution of 1.5% of your pay. That's a 50% return on your savings just by electing to participate. The table below shows how your savings plus the matching contribution accumulate over time.

Annual Pay: $25,000 | Annual Interest: 6% | Pay Increases: 3% Per Year

COMBINED ACCUMULATION & INTEREST WITH SALARY INCREASES

Your Contribution	Nationwide Children's Matched Contribution	Total Yearly Contribution	5 Years	10 Years	20 Years	30 Years
$250	$125	$375	$2,309	$5,767	$18,077	$42,789
$500	$250	$750	$4,618	$11,533	$36,154	$85,577
$750	$375	$1,125	$6,927	$17,300	$54,231	$128,364

*These calculations assume a 6% annual rate of return over the entire 30-year period. The actual rate of return on your contributions will fluctuate based on the performance of the investment accounts you choose

In addition, with a tax-deferred annuity, any earnings or growth accumulate on a tax-deferred basis until you receive the benefits. By saving through a tax-deferred savings vehicle rather than a taxable savings plan, you increase your current savings without reducing your take-home pay.

When you save on after-tax basis, a substantial part of your earnings and interest is lost to taxes.

While the amount in tax savings may not seem significant on its own each year, the potential taxsavings over time can help enhance your long-term financial security.

The chart below illustrates the additional savings gained by saving on a before-tax versus an after-tax plan.

Assumption: 2 Exemptions, Joint Return, Standard Deductions, 2010 Tax Rates

	Before-Tax Savings	After-Tax Savings
Annual Salary	$25,000	$25,000
Before-Tax Savings	$1,586	$ 0
Taxable Salary	$23,414	$25,000
Federal Taxes	$471	$630
Social Security	$1,912	$1,912
Salary After-Tax	$21,031	$22,458
After-Tax Savings	$ 0	$1,427

Difference between Before-Tax and After-Tax Savings =$159

Note: You will owe taxes, of course, on the pretax accumulations when you receive them as income, but you would still be ahead of a taxable savings plan.

Limits on Contributions

Since saving on a tax-deferred basis is so attractive, the Internal Revenue Service limits the amount that can be contributed annually to a TDA. A catch-up feature may apply for employees who have at least 15 years of uninterrupted service or are at least 50 years old. To help you calculate your contribution, please call TIAA-CREF at 1-877-842-4833.

Changing Contribution Amounts

Employees can increase or decrease the amount contributed as many times during the year as Nationwide Children's Hospital allows and may stop contributions at any time.

Withdrawals

The TDA Plan offers you many advantages, including tax advantages, to encourage you to save for retirement. Because of these advantages, federal regulations limit your ability to make withdrawals. Under current law, penalty-free withdrawals from tax-deferred annuities are not available before age 59 1/2 unless certain exceptions are met. Your withdrawal would be subject to all applicable taxes and, in some cases, an additional 10% penalty tax. Other penalties and/or restrictions may also apply.

You may qualify for a loan or hardship withdrawal of your contributions in the plan if you have an immediate and heavy financial need. This includes large medical expenses not covered by a medical plan, payment of the next year's college tuition for yourself or a dependent, purchase of your principal home, and preventing eviction from or foreclosure on your principal home.

The sooner you participate in the Tax-Deferred Annuity Plan, the earlier you can take advantage of this easy and affordable way to build the additional income you'll need for the kind of future you want.

Nationwide Children's Hospital[SM]

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