Cash Balance Retirement Plan

Summary Plan Description

This Summary Plan Description describes The Scripps Research Institute Cash Balance Retirement Plan as in effect January 1, 2009
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INTRODUCTION

Providing for a financially secure retirement is, for most individuals, their most important financial priority. The Scripps Research Institute (called “TSRI” in this booklet) makes a substantial contribution to your retirement income. This booklet has been prepared to help you understand your Cash Balance Retirement Plan and to help you to begin now to plan for your retirement years.

To prepare for retirement, you need to understand the sources of your retirement income, which generally will come from: Social Security, The Scripps Research Institute Cash Balance Retirement Plan, The Scripps Research Institute Tax Sheltered Annuity Plan, and your personal savings and investments. The first two sources can provide a basic level of income, but if there's a gap between the amount you'll need and the amount you'll receive, your Tax Sheltered Annuity Plan contributions and other personal resources can bridge that gap.

Beginning January 1, 1996, the former traditional defined benefit Retirement Plan was amended to become a “cash balance retirement plan” and was renamed The Scripps Research Institute Cash Balance Retirement Plan. If you were a Plan participant on January 1, 1996, your traditional benefit has been converted to a single sum amount credited to an “account” held in your name. For all Plan participants performing services for TSRI on or after January 1, 1996, TSRI will credit your Plan “account” with a percentage of your compensation each year. All Plan “accounts” are credited with interest each year. When you terminate employment you can receive your full account balance in a single payment or receive monthly payments.

If you have questions about the Plan, the Human Resources Department will be able to help you. The Human Resources Department has copies of the official Plan text, which governs the operation of the Plan and states all of its provisions in detail. A copy of the official Plan text will be furnished to you upon request at a reasonable charge. Such a request should be made in writing and addressed to the Human Resources Department at The Scripps Research Institute at the address at the end of this summary.

This Summary Plan Description explains the Cash Balance Retirement Plan as in effect on January 1, 2009. It is intended to describe the Cash Balance Retirement Plan to you in easy-to-understand terms, and do it as accurately as possible. To make the summary as clear and concise as possible, some rules are described in abbreviated form and others are not mentioned at all. For this reason, you should read the Plan text if you need a complete statement of all Plan provisions. If these pages inadvertently say anything that disagrees with the formal documents that govern the Cash Balance Retirement Plan, the legal Plan documents are the ones that must be followed.

TSRI has the sole discretionary authority to interpret this summary and the Plan documents.
ELIGIBILITY

If you are a participant in The Scripps Research Institute Cash Balance Retirement Plan you remain a participant as long as you are an "eligible employee" (as defined below).

Each other eligible employee automatically becomes a participant on the first day of the payroll period immediately following a Year of Eligibility Service (or, if later, transfer to an "eligible employee" status with TSRI).

A “Year of Eligibility Service” is a 12-month period of service with TSRI measured from your date of hire. Certain authorized leaves of absence periods are counted in determining your Year of Eligibility Service, as well as days that you are not at work due to vacation, holiday, sickness, disability leave of absence or layoff. Periods when you are not employed with TSRI count toward your Year of Eligibility Service if you return to employment with TSRI within 365 days of your severance date. All your periods of service with TSRI will be aggregated in determining whether you have performed 365 days of service, except that if you terminate employment and do not perform an hour of service prior to the 5th anniversary of your severance, all service performed prior to your termination will be disregarded.

An "eligible employee" is each employee of TSRI except those individuals:

- who are eligible for The Scripps Research Institute Faculty and Management Retirement Plan except in certain circumstances (you will be notified if these circumstances apply to you)
- who are leased employees
- who are covered by a collective bargaining agreement unless otherwise provided in the bargaining agreement
- who are classified in the following job classifications: Graduate Students; Visiting Investigators; Outside Consultants; Volunteer; UCSD Work Study Student; Adjunct Assistant, Associate or Full Professor; Guest Scientist; and Emeritus Status Positions
- who are not classified by TSRI as an employee on its payroll records, e.g., Research Associate in Division 7 (Stipend Pay) Status, etc.

HOW THE PLAN WORKS: IMPORTANT CONCEPTS

Account Balance

Your Account Balance is a lump sum cash “Account”. It is the sum of: (1) an Opening Account Balance for participants who were participants in the Plan on January 1, 1996, (2) annual Deposit and Interest Credits, and (3) for each Plan Year starting on or after January 1, 2000 and prior to January 1, 2009, a TSA Match Credit (plus associated Interest Credits) based on contributions you made under The Scripps Research Institute Tax Sheltered Annuity (TSA) Plan.
Opening Account Balance

If you were a Retirement Plan participant on January 1, 1996, you accumulated a traditional pension benefit to which you would be entitled when you retired from TSRI. Your Opening Account Balance was a lump sum cash amount converted from your accumulated pension. To do this:

- we calculated the amount of that accumulated pension as of December 31, 1995, and
- we converted that accumulated pension into an equivalent lump sum cash account for you called your "Opening Account Balance."

Deposit Credits

TSRI began crediting participants with Deposit Credits with the first deposit credited as of December 31, 1996. Deposit Credits are determined each calendar year for your Account provided you are credited with at least 500 Hours of Service during the calendar year. Beginning January 1, 2000, TSRI will credit your Account with the greater of:

- 5% of your compensation for the calendar year; or
- $2,000 if you complete at least 1,000 hours of service or $1,000 if you complete at least 500 but less than 1,000 hours of service.

The term "compensation" means your “W-2” taxable compensation. Also included are any before-tax contributions you may have made under The Scripps Research Institute Tax Sheltered Annuity (TSA) Plan or before-tax contributions to The Scripps Research Institute Flexible Benefits Plan and any amounts attributable to qualified transportation benefits under Section 132(f) of the Internal Revenue Code. Effective January 1, 2009, compensation also includes certain amounts paid to you by TSRI, if any, while you are performing uniformed military service for a period of more than 30 days. However, compensation does not include: (1) lump sum payments of vacation or sick pay; (2) severance pay; (3) car allowances and imputed income for personal use of an automobile; (4) relocation allowances (including income attributable to a relocation loan); (5) imputed income for life insurance premiums or club membership fees; (6) housing allowances; (7) other reimbursements and expense allowances; (8) moving expenses; (9) any amounts earned while you are not an eligible employee; (10) any amounts attributable to Basic Contributions under the TSRI Flexible Benefits Plan (regardless of whether such amount is used toward benefits or is paid to you in cash); (11) other types of pay similar to those described in (1) through (10); (12) compensation you earned while eligible for the Scripps Memorial Employees Retirement Plan, the Scripps Clinic & Research Foundation Retirement Plan, or The Scripps Research Institute Faculty and Management Retirement Plan; and (13) compensation in excess of $245,000 in 2009 (or other dollar limit set by federal law for a year).
Interest Credits

Every year, as of December 31, the Plan will credit your Account with annual Interest Credits. Beginning January 1, 2000, the annual Interest Credit equals the greater of 5.5% or the 10-Year Treasury Constant Maturity Rate (spot rate) on the first business day in October of the prior calendar year. The annual Interest Credit for 2009 will be 5.5%.

After you terminate employment, if complete payment from the Cash Balance Retirement Plan has not been made to you, your Account will continue to receive Interest Credits.

TSA Match Credits

For each Plan Year beginning January 1, 2000 and prior to January 1, 2009, TSRI matched 50% of what you deferred to The Scripps Research Institute Tax Sheltered Annuity (TSA) Plan (to a maximum of 3% of your pay). The match for each such Plan Year was in the form of credits added to your Cash Balance Account.

Effective January 1, 2009, for each pay period, beginning with the first pay period after you meet the eligibility requirements, TSRI will make a matching contribution on your behalf to The Scripps Research Institute Tax Sheltered Annuity Plan equal to 50% of your before-tax contributions that do not exceed 6% of your pay for the pay period. If you are eligible and you are employed with TSRI on the last day of the Plan Year, you may also be eligible for a “true up” contribution. Eligibility for matching contributions is determined under The Scripps Research Institute Tax Sheltered Annuity Plan. For more information regarding these contributions, please refer to The Scripps Research Institute Tax Sheltered Annuity Plan and the summary plan description for that plan.

HOW YOUR ACCOUNT BALANCE IS CALCULATED

Under the Cash Balance Retirement Plan, TSRI will maintain an Account Balance in your name. The Account will include your Opening Account Balance, if applicable, and Deposit Credits, Interest Credits and any TSA Match Credits added by TSRI prior to January 1, 2009.

Example:

Here is an example of how the Deposit Credits and Interest Credits work.

Assumptions: Your Account Balance as of January 1, 2009, is $2,500
You completed at least 1,000 Hours of Service during 2009

Your 2009 annual Form W-2 pay is $40,000 (as adjusted)
Effective Annual Rate for Interest Credits = 5.5%
Your Account Balance as of December 31, 2009 is determined as follows:

<table>
<thead>
<tr>
<th>Account Balance as of January 1, 2009</th>
<th>$2,500</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Plus</strong></td>
<td>+</td>
</tr>
<tr>
<td>A Deposit Credit of 5% of pay between January 1, 2009 and December 31, 2009 (5% of $40,000)</td>
<td>$2,000</td>
</tr>
<tr>
<td><strong>Plus</strong></td>
<td>+</td>
</tr>
<tr>
<td>Twelve months of Interest Credits based on January 1, 2009 Account Balance and an effective annual rate of 5.5%</td>
<td>$137.50</td>
</tr>
<tr>
<td><strong>Equals</strong></td>
<td>=</td>
</tr>
<tr>
<td>Account Balance as of December 31, 2009</td>
<td>$4,637.50</td>
</tr>
</tbody>
</table>

In addition to your Account Balance under this Plan, effective January 1, 2009, you are also eligible to receive matching contributions on before-tax contributions you make to The Scripps Research Institute Tax Sheltered Annuity Plan (see the second paragraph under “TSA Match Credits” above).

**HOW THE PLAN IS FUNDED**

You do not make any contribution to your Account. TSRI makes all Plan contributions.

**PLAN STATEMENTS**

All participants will receive annual account statements. These statements will show the growth in your Account Balance - the combination of Deposit Credits and Interest Credits - through the end of the year.

These statements are generally an accurate reflection of your Account Balance. However, your Account Balance may be adjusted if there are mistakes in calculation, updated information pertinent to any calculation or amendments to the Plan.

**VESTING**

You are eligible to begin accumulating your Account Balance when you become a Plan participant. However, your Account does not belong to you until you are 100% vested. If you complete an Hour of Service on or after January 1, 2008, you become vested as follows:

- after completing three Years of Service, or
- if you reach age 65 while employed by TSRI, or
• if you become disabled (as described in the section entitled “If You Become Disabled”) while employed by TSRI, or

• if you die while employed by TSRI (or while performing qualified military service on or after January 1, 2007).

If you terminate your employment before at least one of the events described above, you will forfeit your Account Balance.

You earn a Year of Service for each calendar year in which you are credited with at least 1,000 Hours of Service. Hours of Service generally include all hours that you actually work, plus those for which you are paid, such as holidays, vacation, sick leave, and other approved absences.

Years of Service can be lost if you terminate employment with TSRI when you are 0% vested and then you incur five consecutive "one year breaks in service." A "one year break in service" occurs in any calendar year in which you are credited with less than 501 Hours of Service. In that case, you are considered a new employee for all Plan purposes.

A different vesting schedule applies for participants who do not complete an Hour of Service on or after January 1, 2008. For more information, please contact the Human Resources Department.

WHAT THE PLAN PAYS

Normally, the amount you receive equals your Account Balance determined as of the date your payments begin. If you participated in the Retirement Plan prior to 1996, your benefit under this Plan will never be less than your annual accrued benefit under the Retirement Plan as of December 31, 1995, based on your compensation and service as of December 31, 1995 (unless your service is disregarded because of a break in service).

However, if it provides a greater benefit, you will receive the actuarially equivalent value of an annual benefit equal to 1.15% of Average Annual Compensation times Years of Benefit Accrual Service (up to a maximum of 40 years). If you start monthly payments before age 65, but after you have reached age 55 and performed at least 5 Years of Service (see “Vesting” above), your monthly benefit is reduced 1/15th for each of the first five years and 1/30th for each of the next five years that payments begin before age 65 (additional reductions will apply if you have not reached age 55 and performed 5 Years of Service). The minimum benefit described in this paragraph is in addition to any Account Balance provided due to TSA Match Credits credited to your Account prior to January 1, 2009. For purposes of calculating the minimum benefit described in this paragraph,

• “Average Annual Compensation” means your total compensation for the 60 consecutive months during your last 120 months of employment in which your compensation was the highest, divided by 5; and

• “Years of Benefit Accrual Service” is determined in a manner similar to Years of Service determined for vesting purposes (see “Vesting” above), except that (1) you
can get partial credit for a year in which you perform between 500 and 1,000 hours of service, and (2) you will not be credited with any service performed while you were not in an employee group eligible for the Plan or, beginning in 2009, while you were eligible but had not yet completed your Year of Eligibility Service.

Lastly, if greater than the benefits described in the preceding paragraphs, you may receive a minimum benefit under this Plan of $35 per month times your Years of Benefit Accrual Service as of December 31, 1999.

If you continue working beyond age 65, when you retire you will receive the greater of your benefit determined at the later retirement date or the benefit you would have received at age 65, but increased actuarially to take into account that payments were delayed.

Please note that the discussion below, which refers to payment of the Account Balance, also applies to payment of the minimum benefits described in this section.

**WHEN THE PLAN PAYS YOUR BENEFIT**

**Termination Of Employment Before Retirement, Death Or Disability**

You may receive payment of your Account Balance following your termination of employment if you are vested in the Cash Balance Retirement Plan. Payment of your Account Balance can occur following your termination of employment if you request payment. Payment can be made as soon as administratively practicable after each April 1, August 1 or December 1 in accordance with the following chart and depending upon your date of termination:

<table>
<thead>
<tr>
<th>Date of Termination</th>
<th>Earliest Payout Date is As Soon as Practicable after the Next…</th>
</tr>
</thead>
<tbody>
<tr>
<td>From November 1 to February 28</td>
<td>April 1</td>
</tr>
<tr>
<td>From March 1 to June 30</td>
<td>August 1</td>
</tr>
<tr>
<td>From July 1 to October 31</td>
<td>December 1</td>
</tr>
</tbody>
</table>

Alternatively, you may elect to leave your Account Balance in the Plan and continue to earn Interest Credits. If you leave your Account Balance in the Plan you can later elect to withdraw the money. Payment can be made as soon as administratively practicable following any later April 1, August 1, or December 1, provided you request payment at least 30 days before the applicable distribution date.

Your election to commence distribution must be made in writing in accordance with procedures established by TSRI. Payment may be made in any of the forms of payment described in the section entitled “Payment Options” below. As described under “Retirement” below, the "standard method" of payment will apply unless you elect otherwise (and with your spouse's consent if you are married).
Notwithstanding the foregoing, you may delay distribution of your vested Account Balance until the latest time described in this paragraph (or, your “Required Beginning Date”). If you leave TSRI for any reason before your reach age 70½, you may delay distribution until the April 1 following the calendar year in which you reach Age 70½ (the “Required Beginning Date”). If you continue to work for TSRI, you may delay payment until April 1 following the later of (1) the calendar year in which you reach age 70½; or (2) the calendar year in which you retire. If you delay payment beyond age 65, you will receive the greater of your benefit determined at the time you begin payment or the benefit you would have received at age 65, but increased actuarially to take into account that payments were delayed.

Retirement

You are eligible to retire once you terminate employment, are age 55 or older and have completed five or more Years of Service (see “Vesting” above). When you retire you may receive your Account Balance as a single payment. Or, you may choose among a variety of monthly payment options.

Unless you elect otherwise, you must receive your benefits in what is called the "standard method." The "standard method" for an unmarried person pays a monthly income for your lifetime and the "standard method" for a married person pays a monthly income for your lifetime with 50% of that monthly amount continuing to your spouse if you die after retirement.

If you (and your spouse if you are married) agree that another form of payment better meets your needs, you may select any of the other forms of payment available with your spouse's consent. By law, your spouse's consent must be in writing and witnessed by a Plan representative or notary public. Please note, however, that your spouse's consent is NOT needed if you choose the 75% or 100% Joint and Survivor Annuity with your spouse as beneficiary.

You may delay distribution of your vested Account Balance until your Required Beginning Date (see “Termination Of Employment before Retirement, Death or Disability” above).

You will receive more information on all the available payment options when you are ready to retire.

If You Become Disabled

If your employment with TSRI terminates because you are permanently disabled, payment of your Account Balance can occur as early as the first day of any month following the date you terminate employment, and can be paid in any of the forms of payments listed in the section entitled “Payment Options” if you request payment. Alternatively, you may elect to leave your Account Balance in the Plan and continue to earn Interest Credits. As described above, the "standard method" of payment will apply unless you elect otherwise (and with your spouse's consent if you are married).

You are considered permanently disabled if, due to a physical or mental condition, you are unable to perform your usual duties and therefore can no longer work as evidenced by written
notification from the Social Security Administration that you are disabled under Title II or Title XVI of the Social Security Act.

Until you receive payment of your Account Balance, you will continue to receive Interest Credits until a distribution occurs. You may defer distribution of your vested Account Balance until your Required Beginning Date (see “Termination Of Employment before Retirement, Death or Disability” above).

If You Die

If you die before you receive any part of your Account Balance, your beneficiary will be entitled to receive your vested Account Balance (see “Naming a Beneficiary Below” below).

Your beneficiary may receive your Account Balance as a lump sum payment immediately following your death. If your beneficiary is someone other than your spouse, payment must be made no later than December 31 which follows the fifth anniversary of the date of your death. If your spouse is your beneficiary, he or she may also receive your benefit in the form of a monthly annuity. If your spouse does not elect an earlier starting date, the annuity payments will begin on the first day of the month following the later of your date of death or when you would have reached age 65.

Naming A Beneficiary

If you are married, your spouse will be the beneficiary with respect to 50% of your Account Balance, unless your spouse elects to waive entitlement to that benefit. Any other person(s), including your spouse, can be designated the beneficiary with respect to the remaining 50% of your Account Balance. If you are single, payment is made to your beneficiary.

Your spouse can waive entitlement to this benefit provided he or she consents to its waiver in writing witnessed by a Plan representative or notary public and consents to a specific alternate beneficiary.

If you do not have an effective beneficiary designation on file at the time of your death, or if none of your named beneficiaries is living when payment of your Account Balance is to be made, then your vested Account Balance will be paid to the following beneficiaries in the order listed:

- your surviving spouse or “domestic partner” (see below), if any;
- if you are not survived by a spouse or domestic partner, then to your surviving children (including adopted children, if any) in equal shares; and
- if you are not survived by a spouse, domestic partner or any children, then to your estate.

For purposes of the Plan, your “domestic partner” is a person of the same or opposite sex with whom you have filed a Declaration of Domestic Partnership with the Secretary of State of the
State of California pursuant to Section 297 of the California Family Code (or have similarly filed or registered with a governmental body pursuant to applicable state or local law authorizing the filing/registration), and the person continues to be your registered domestic partner in accordance with applicable state or local law. For purposes of the Plan, your “domestic partner” also means any person who qualified and continues to qualify as your domestic partner under The TSRI Group Welfare Benefit Plan and for whom TSRI has received an effective Affidavit of Domestic Partnership. Please contact the Human Resources Department for further information.

HOW THE PLAN PAYS YOUR VESTED ACCOUNT BALANCE

Electing A Payment Method

Unless you are required to receive a distribution under applicable law, in order to receive benefits or information related to the distribution of benefits under the Plan (such as payment options or consent forms) you must submit a written claim for benefits with the Plan Administrator as described in the section entitled “How Do I Apply For Benefits?” below. When you terminate employment or retire from TSRI and you have submitted a written claim for benefits, you will be provided a written explanation of payment options for your Account Balance. You may elect your preferred payment option during the 180 days before the date you want to receive your Account Balance in a lump sum or, alternatively, the date you want to start receiving it under an annuity option. To make your election, submit your request in writing to the Plan Administrator. You may change your election by submitting a new request before the original date you selected arrives.

Payment Options

You may elect one of the following forms of benefit payments:

- **Single Sum Payment** - pays you a lump sum cash payment equal to your Account Balance. In some cases, a larger amount will be paid as stated under “What the Plan Pays” above or as otherwise required by law. Notwithstanding any other provision of this booklet, lump sum payments may be restricted to the extent required by law.

- **Single-Life Annuity** - pays you monthly payments during your life only.

- **Five-Year Certain Life Annuity** - pays you monthly payments for your life and, if you die before receiving 60 payments, your beneficiary will receive the remaining balance of the 60 payments.

- **Ten-Year Certain Life Annuity** - pays you monthly payments for your life and, if you die before receiving 120 payments, your beneficiary will receive the remaining balance of the 120 payments.

- **100% Joint-and-Survivor Annuity** - pays you monthly payments during your life and, after your death, pays your beneficiary monthly payments for life equal to 100% of the monthly amount you were receiving.
- **75% Joint-and-Survivor Annuity** - pays you monthly payments during your life and, after your death, pays your beneficiary monthly payments for life equal to 75% of the monthly amount you were receiving.

- **50% Joint-and-Survivor Annuity** - pays you monthly payments during your life and, after your death, pays your beneficiary monthly payments for life equal to 50% of the monthly amount you were receiving.

- **Level Payment Option** - available only on the benefit you had earned under the Retirement Plan as of December 31, 1995 - pays you a higher monthly payment from the Plan until you attain age 65, which is then reduced at that age so that benefit payments available from both sources result in a reasonably level amount.

If you are married on your benefit starting date, you may elect a lump sum payment (or any distribution option other than the 50%, 75% or 100% Joint-and-Survivor Annuity), as long as your spouse consents in writing to this election. This consent must be witnessed by a Plan representative or a notary public. Once your spouse consents, your spouse may not revoke such consent, unless you revoke the election. If your spouse does not consent to a form other than a Joint-and-Survivor Annuity, you must elect the 50%, 75% or 100% Joint-and-Survivor Annuity, and your spouse will be the beneficiary. If you want to choose someone other than your spouse as the beneficiary under either the 50%, 75% or 100% Joint-and-Survivor Annuities, you must have your spouse's consent.

In certain circumstances, your spouse does not need to consent regarding benefit payment if

- your spouse cannot be located or
- you are legally separated from your spouse.

This exception does not apply unless you agree in writing that if ordered by a court you will pay any court-assigned portion to your spouse, and any legal fees and expenses, and you will not hold TSRI responsible for making any payment.

**If You Do Not Make An Election**

If you want to receive your Account Balance in a lump sum, you must make an election requesting this form of payment. If you do not make an election during the 180 days before the date you select for the payment, the Plan will automatically pay your Account Balance in the "standard method" that is - as a Single-Life Annuity if you are not married on your starting date or as a 50% Joint-and-Survivor Annuity with your spouse as beneficiary if you are married on your starting date.

**Participation Upon Reemployment**

If you are rehired by TSRI and previously had participated in the Plan, you will resume your participation on the date you are reemployed. If you are rehired by TSRI but were not previously
eligible to participate, you will become a participant when you meet the eligibility criteria (see the section entitled “Eligibility”).

**Your Account Balance Upon Reemployment**

These rules apply if you are reemployed and during your prior employment you were a participant in the Plan:

- If you were previously vested but did not receive any Plan distribution, your Account Balance will not be affected. Your Account will continue to receive Interest Credits during your separation and after your return. You will remain vested and you will resume accumulating new Deposit Credits and Interest Credits again upon your reemployment. Any pension benefit earned as of December 31, 1995 will be converted to a single sum if that has not yet occurred.

- If you were previously vested and you have received your Account Balance as a lump sum payment, you will remain vested and you will resume accumulating new Deposit Credits and Interest Credits again upon your reemployment and you will remain vested.

- If you are receiving payment under an annuity option when you are rehired, your benefit payments will continue when you are reemployed. You will remain vested and you will resume accumulating new Deposit Credits and Interest Credits again upon your reemployment.

- If you are rehired and were previously not vested in the Plan, your prior unvested Account Balance will be reinstated (plus Interest Credits for the separation interval), provided you are reemployed before you incur five consecutive one year breaks in service (as described under the section entitled “Vesting”). You will resume accumulating new Deposit Credits and Interest Credits again upon your reemployment.

**Contributions Following Reemployment After Qualified Military Leave**

If you become absent from your job for qualified military leave in the U.S. uniformed military service and then return to employment with TSRI, your period of qualified military service will not be considered a termination of employment for purposes of the Plan, and you will be able to resume participation in the Plan upon your return from qualified military service. You will receive Deposit Credits and Interest Credits (and, if applicable, a TSA Match Credit (plus associated Interest Credits) based on any make up contributions you make under the Tax Sheltered Annuity (TSA) Plan attributable to a period of military leave that took place prior to January 1, 2009).

For more information on your rights under USERRA and military leaves, a VETs directory and additional information is available at [www.dol.gov/vets](http://www.dol.gov/vets). You can also contact the Human Resources Department.
Limitations

The tax law sets a maximum amount of pay that may be used to determine a benefit. In 2009, this amount is $245,000.

Certain other limitations may reduce your benefit. If these limitations apply to you, you will be notified.

BENEFIT CLAIMS PROCEDURE

How Do I Apply For Benefits?

Any claim for benefits under the Plan must be made in writing to TSRI. You may also appoint an authorized representative to act on your behalf in pursuing a benefit claim or appeal of an adverse benefit determination. A claim to receive benefits under the Plan, must include the date to receive a lump sum payment or if another payment option is selected, the date to begin receiving benefits under the Plan. The written claim must be signed by the claimant and submitted to The Plan Administrator, The Scripps Research Institute, 10550 No. Torrey Pines Road, Mail Drop TPC-11, La Jolla, CA 92037.

What If My Application Is Denied?

If your application for benefits is denied in whole or in part, TSRI will give you or your duly appointed representative, a written or electronic notice of such denial and of the right to a review of the claim. Such written or electronic notice will explain, in a way that the claimant can understand, the specific reasons for the denial, references to the specific Plan provisions on which the denial is based, a description of any information or material necessary to perfect the application, an explanation of why such material is necessary, an explanation of the Plan’s review procedure and the time limits applicable to such procedures, and a statement of the claimant’s right to bring a civil action under section 502(a) of ERISA if the claim is denied on review. Such written or electronic notice will be given to the claimant within 90 days after TSRI receives the application, unless special circumstances require an extension of time of up to an additional 90 days for processing the application. If such an extension of time for processing is required, written or electronic notification of the extension will be provided to the claimant prior to the termination of the initial 90-day period. This notice of extension will indicate the special circumstances requiring the extension of time and the date by which TSRI expects to render its decision. The claimant will be permitted to appeal such denial in accordance with the procedures described below.

Can I Appeal A Denial?

Any claimant or duly appointed representative whose initial claim for benefits is denied in whole or in part, may appeal the denial by submitting to a Review Panel a written request for a review of the claim within 60 days after receipt of a notification of an adverse benefit determination from TSRI. The Review Panel is selected by TSRI.
The request for review must be made in writing and shall be addressed to the Review Panel in care of The Scripps Research Institute, 10550 N. Torrey Pines Road, Mail Drop TPC-11, La Jolla, CA 92037. The request for review shall set forth all of the grounds on which it is based, all facts in support thereof and any other matters which the claimant deems pertinent. The Review Panel may require the claimant to submit such additional facts, documents or other material as the Review Panel may deem necessary or appropriate in making its review. The Review Panel shall (1) give the claimant the opportunity to submit written comments, documents, records and other information relating to the claim for benefits; and (2) provide the claimant, 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.

**How Are Decisions On Review Made?**

The Review Panel’s determination will take into account all comments, documents, records, and other information that the claimant has submitted without regard to whether such information was submitted or considered in the initial benefit determination. The Review Panel will provide the claimant with written or electronic notification of its decision within a reasonable period of time, but not later than 60 days after receiving the review request, unless special circumstances require an extension of time for reviewing the request, up to an additional 60 days. If such an extension for review is required, written or electronic notification of the extension will be provided to the claimant within the initial 60-day period. The notice of extension will indicate the special circumstances requiring the extension of time and the date by which the Review Panel expects to render a decision.

If an extension of time is required due to the claimant’s failure to submit information necessary to review the application, the period of time that the Review Panel has to review the application will be tolled from the date on which the notice of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

**What Happens If The Application Is Denied On Review?**

In the event that the Review Panel confirms the denial of the claim for benefits in whole or in part, it shall provide the claimant with written or electronic notification of its benefit determination on review. In the case of an adverse benefit determination, the notification shall set forth, in a manner calculated to be understood by the claimant: (a) the specific reason or reasons for the adverse determination; (b) references to the specific Plan provisions on which the benefit determination is based; (c) 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 relevant information to the claimant's claim for benefits; and (d) a statement of the claimant’s right to bring an action under section 502(a) of ERISA.

**Can I Bring A Lawsuit To Enforce My Rights Under The Plan?**

Notwithstanding anything to the contrary in the Plan, no legal action for benefits under the Plan may be brought unless and until a claimant or duly appointed representative (1) has submitted a written application for benefits as described under the section entitled “How Do I Apply For
Benefits?”; (2) has received written or electronic notification from TSRI that the application is
denied as described in the section entitled “What If My Application Is Denied?”; (3) has filed a
written request for a review of the application as described in the section entitled “Can I Appeal A Denial?”; and (4) has received written or electronic notification that the Review Panel has
affirmed the denial of the application as described in the section entitled “What Happens If The Application Is Denied On Review?”.

In all cases, no action claiming benefits or coverage under the Plan may be brought after the later of
the expiration of three (3) years from the the event giving rise to the claim or the date the
claimant has received written or electronic notification that the Review Panel has affirmed the
denial of the application as described in the section entitled “What Happens If The Application Is Denied On Review?”

Who Decides Questions Under The Plan?

Notwithstanding anything to the contrary in this summary plan description or the Plan document,
TSRI has the discretionary authority to grant or deny benefits under the Plan, to determine all
factual and legal questions that arise under the Plan, and to construe and interpret all terms
contained in the Plan and this booklet. Benefits will be paid under this Plan only if TSRI
determines in its discretion that the claimant is entitled to them.

Assignments Prohibited

The Plan as well as federal law provides that your interest in your Account Balance, or your
rights to any distribution from the Plan, cannot be assigned to anyone else. This means that you
cannot voluntarily or involuntarily assign your Account Balance for the benefit of creditors, or to
satisfy garnishments, attachments and similar procedures. You also cannot use your Account
Balance as collateral for a loan.

Qualified Domestic Relations Order (QDRO)

If you get divorced or legally separated, the Plan benefit may be subject to a property settlement.
The court may then issue a qualified domestic relations order (a “QDRO”) - a court order related
to divorce or separation - which could award a portion of your Account Balance to your former
spouse. The Plan contains specific provisions regarding QDROs and the Plan Administrator can
provide your counsel with sample QDRO language designed to assist them with preparing an
order that is acceptable under the terms of the Plan. Participants and beneficiaries can obtain,
without charge, a copy of the Plan’s procedures governing the determination and implementation
of QDROs. Please contact the Human Resources Department for a copy of the Plan’s QDRO
procedures, sample language or other information.

Top Heavy Plan Rules

Although it is unlikely, the Plan could become a "top-heavy" plan. The Plan Administrator is
responsible for determining each year if the Plan is a top-heavy plan.
If the Plan should become top heavy in any year, you may be entitled to accelerated vesting. The Plan Administrator will inform you of your rights if the Plan should become top heavy.

**TAX CONSIDERATIONS**

The Cash Balance Retirement Plan is intended to meet the qualification requirements of section 401(a) of the Internal Revenue Code. As long as the Cash Balance Retirement Plan remains qualified, your Account Balance is taxable only when you receive it. If you receive it at a time when your income has decreased, such as at retirement, you may be in a lower tax bracket. TSRI does not assume any responsibility for the information provided below. Also this summary does not include a discussion of state taxes. You are encouraged to consult with your tax advisor for information on your own tax status before you receive any payments from the Plan.

**Federal Income Tax Consequences Of Plan Distributions**

In general, when a participant receives his or her Account Balance after retirement or termination of employment, he or she will be taxed on the total value of the distribution. If your Account Balance is distributed to you in a lump sum payment, 20% of the taxable amount of the payment must be withheld for federal income tax purposes unless your Account Balance is rolled over to an individual retirement account (an IRA) or other eligible retirement plan as described below. If, instead of a lump sum distribution, you choose to receive your Account Balance in an annuity payment option you may elect in writing that taxes not be withheld. More information regarding taxation of distributions and your options will be provided to you with your elections forms.

**Rollovers And Transfers To Other Qualified Plans**

You may elect to have all or any portion of your Account Balance received in a lump sum payment transferred directly from the Plan into an individual retirement account (an IRA) or another eligible retirement plan that accepts rollovers (known as a “direct rollover”). This means that rather than receiving a check made payable to you, you authorize TSRI to transfer your benefit directly to an IRA set up in your name or to your account established under another employer’s eligible retirement plan. An “eligible retirement plan” means a traditional IRA, a qualified 401(a) or 403(a) plan, a “403(b)” plan maintained by certain tax exempt entities (including TSRI) or a “457(b)” plan maintained by a governmental employer.

Effective January 1, 2008, you may also elect to roll over your Account Balance to a Roth IRA. The rules governing Roth IRAs (and rollovers to Roth IRAs) are complicated, and you should speak with your personal tax advisor prior to rolling over funds to a Roth IRA.

When your Account Balance is directly transferred to an IRA or eligible retirement plan, no 20% federal withholding applies. Alternatively, you may elect to receive a check made payable to you (with 20% of the taxable Plan benefit withheld), and then deposit this amount into an IRA or eligible retirement plan within 60 days after receipt of the distribution (known as a “regular rollover”). However, unless you also contribute to the IRA or another type of eligible retirement plan, from your own funds, an amount equal to the 20% withheld, you will have to pay tax on the 20% that was not rolled over.
Distributions To Surviving Spouses, Alternate Payees And Beneficiaries

In general, the rules summarized above for payments to Plan participants also apply to payments to surviving spouses of Plan participants and to a spouse or former spouse who is an “alternate payee” under a “qualified domestic relations order” (“QDRO”). Thus, if a distribution is a type that can be rolled over, the surviving spouse or alternate payee may elect to receive the distribution or roll it over to a traditional IRA or eligible retirement plan that accepts rollovers.

If your beneficiary under the Plan is someone other than your surviving spouse or an alternate payee, he or she may be able to elect either a direct rollover to an IRA or to receive your Account Balance (but may not elect to roll over your Account Balance to another eligible retirement plan). For this purpose, your beneficiary may be your domestic partner (regardless of whether he or she is your domestic partner for purposes of the Plan), your parent, your sibling or your child, among others. The IRA will be treated as an inherited IRA. If the beneficiary is not eligible to elect a direct rollover, he or she must receive your Account Balance and must recognize the amount in income in the year received.

Effective January 1, 2008, direct rollovers to a Roth IRA are permitted. The rules governing Roth IRAs (and rollovers to Roth IRAs) are complicated and you should speak with your personal tax advisor prior to rolling over funds to a Roth IRA.

A surviving spouse, an alternate payee, or another beneficiary is not subject to the 10% penalty tax (discussed in the next section below), even if that person is younger than age 59½.

The rules regarding the taxation of distributions from qualified retirement plans (like the Plan) are complex and you should seek advice from an experienced tax advisor before making any election regarding a distribution or rollover from the Plan.

Penalty Tax On Early Distributions Or Withdrawals

Generally, a 10% additional federal income tax (and any applicable state tax) will apply to the taxable amount of distributions made before the participant attains age 59-1/2. The following distributions, however, are exempt from the additional tax:

- Distributions rolled over into an IRA (or other eligible retirement plan);
- Distributions made after the participant’s death;
- Distributions attributable to the participant’s disability;
- Distributions made after the participant has terminated employment after having attained age 55;
- Distributions used for payment of medical expenses, to the extent they are deductible;
- Payments to an alternate payee pursuant to a qualified domestic relations order; and
Distributions which are part of a series of substantially equal periodic payments (paid at least annually) for the life or life expectancy of the employee or the joint lives or joint life expectancies of the employee and his or her beneficiary.

Changes In Tax Laws

The rules summarized above are complex and contain many conditions and exceptions that are not summarized here. Also, changes to the Internal Revenue Code or applicable regulations and rulings may be made at any time. Such developments could render all or any part of the tax discussion in this summary obsolete and TSRI assumes no responsibility for the information provided above. Also, the discussion does not include a discussion of state taxes. It is essential therefore, that you consult a qualified tax advisor to obtain current information as well as advice which is tailored to your particular circumstances. You may also find more specific information on the tax treatment of payments from qualified retirement plans (like the Plan) and tax sheltered annuity plans in IRS Publication 575, Pension and Annuity Income, IRS Publication 590, Individual Retirement Arrangements, and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available at your local IRS office or may be attained from the IRS website located at www.irs.gov.

YOUR RIGHTS UNDER ERISA

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

Receive Information About Your Plan and Benefits

- Examine without charge at the Human Resources Department and at other specified locations, all documents governing the Plan, including 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 (EBSA).

- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including 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 the summary annual report.

- Obtain a statement telling you whether you have a right to receive a benefit at the Normal Retirement Date (age 65) and, if so, what your benefits would be at such date if you stopped working under the Plan at that time. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get such a right. 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 Plan. The people who operate your Plan, called “fiduciaries,” 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 your Plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a Plan 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 related 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 Administrator 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 per day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

- if you have completed the claim and appeal procedures described earlier in this summary plan description and your claim for benefits is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

- if you disagree with the Plan Administrator’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a Federal court.

- if it should happen that Plan fiduciaries misuse the Plan’s money, or if you should be 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 the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, 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 EBSA or accessing its website at http://www.dol.gov/ebsa/.
OTHER INFORMATION

Amendment Or Termination Of The Plan

TSRI, by action of its Board of Trustees or its Retirement Committee, has the right to amend the Cash Balance Retirement Plan. However, no amendment may reduce or eliminate your existing Account Balance under the Plan. TSRI, by action of its Board of Trustees, has the right to terminate the Plan. In the unexpected event of a Plan termination which results in the cessation of your future Deposit and Interest Credits, your Account Balance will become 100% vested and nonforfeitable. If all of the assets of the terminated Plan are to be distributed, the assets are first used to provide the participants and their beneficiaries with their Account Balance under the terms of the Plan based on the priorities established by federal law. Any remaining Plan assets are returned to TSRI.

No Employment Rights

The Plan is not an employment contract. Nothing in the Plan or in this summary is to be interpreted as giving any person a right to remain an employee of the Employer, and nothing in the Plan or this summary affects the right of the Employer to terminate anyone’s employment at any time, with or without cause.

Federal Pension Benefit Insurance

Because the Plan is a defined benefit pension plan, your Account Balance is insured by the Pension Benefit Guaranty Corporation (PBGC), if the Cash Balance Retirement Plan should terminate. The PBGC is a government corporation established under federal law.

Generally, the PBGC guarantees vested Account Balances at the level in effect on the date when the Plan terminates. However, if benefits have been increased by Plan amendment anytime within five years before the Plan ends, the whole amount of the vested increase is not guaranteed. Also, there is a ceiling on the dollar amount the PBGC guarantees, which changes from time to time. For more information on the PBGC insurance protection and its limitations, ask your Plan Administrator or the PBGC. Address inquiries to the PBGC to the Customer Contact Center, PBGC, P.O. Box 151750, Alexandria, VA 22315-1750. You may reach the PBGC Customer Contact Center by calling 1 (800) 400-7242 or (202) 326-4000 or via email through the PBGC’s website at http://www.pbgc.gov.

Loss Or Reduction In Benefit

Certain circumstances might adversely affect the amount of pension or Account Balance you could expect to receive from the Cash Balance Retirement Plan. For example:

- If your benefit exceeds certain legal limits described in the Internal Revenue Code, such as in section 415.
- If the Cash Balance Retirement Plan is amended to reduce future contributions or is terminated.
- If you terminate employment before becoming 100% vested.

- If the Plan is required to pay benefits to your spouse, former spouse, or a dependent under the terms of a QDRO (see “Qualified Domestic Relations Order” above).

- If you (or your beneficiary) cannot be located. You should always keep TSRI informed of your current mailing address.

- If TSRI finds it necessary to recalculate your pension or Account Balance because of corrected data that it receives.

- If you make a claim for benefits that is denied and you fail to appeal within 60 days.

**Governing Documents**

This summary is designed to explain in everyday language the highlights of the Cash Balance Retirement Plan. The description contained in this summary was developed with reference to the circumstances applicable to most participants and does not fully cover less usual circumstances.

The Cash Balance Retirement Plan document, including amendments thereto, is the only document governing your rights and benefits, and TSRI's obligations. In the event of a conflict or inconsistency between the description contained in this summary and the actual provisions of the Plan, the provisions of the Cash Balance Retirement Plan document will govern.

You may examine all Plan documents without charge in TSRI's Human Resources office during regular working hours, or, for a reasonable charge, obtain a copy of the documents upon written request to the Plan Administrator.

**Administration**

TSRI is the Plan Administrator for the Plan. However, TSRI has designated the Retirement Committee as its representative for day-to-day administrative matters. TSRI or its designated representative has full discretion to administer and interpret the Plan and to determine eligibility for benefits under the Plan. Under the claims procedure described above, TSRI through its representative has full discretion with regard to the determination of eligibility for benefits upon an appeal of a denial of a claim. Any action or determination by TSRI or its representative involving the administration, application, or interpretation of the Plan or eligibility for benefits under the Plan, is final and binding on all persons.
### ADMINISTRATIVE INFORMATION

<table>
<thead>
<tr>
<th><strong>Official Plan Name:</strong></th>
<th>The Scripps Research Institute Cash Balance Retirement Plan</th>
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| **Employer/Plan Sponsor:** | The Scripps Research Institute  
10550 N. Torrey Pines Road  
La Jolla, CA  92037 |
| **Employer Identification Number:** | 33-0435954 |
| **Plan Administrator:** | Same as Plan Sponsor |
| **Plan Number:** | 001 |
| **Plan Year:** | January 1 - December 31 |
| **Trustee:** | Northern Trust  
801 South Canal Street  
Chicago, IL  60607 |
| **Type of Plan:** | Defined Benefit Plan |
| **Agent for Service of Legal Process:** | Trustee or Plan Administrator |