

FirstEnergy Corp. Cash Balance Plan

Summary Plan Description

January 2018

FirstEnergy Corp. Cash Balance Plan

This Summary Plan Description (SPD) is created for eligible participants in the FirstEnergy Corp. Cash Balance Plan (also known as “FirstEnergy Corp. Master Pension Plan - Parts A and Part L”).

For purposes of this SPD, the term “Plan” means the FirstEnergy Corp. Cash Balance Plan and “Company” means FirstEnergy Corp. and any of its affiliates or operating companies who are participating in the Plan (see the section entitled “Participating Employers and Identification Numbers”).

This SPD explains how your Plan currently works, when you qualify for benefits, and other information contained in the Plan document. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. If you wish to receive a copy of the Plan document, please contact the Plan Administrator, or go to <https://firstenergycorp.sharepoint.com/sites/compben/Retirement%20Programs/Cash%20Balance%20Plan.pdf>.

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Introduction

Planning for a safe and secure retirement must begin long before the day you finally decide to stop your regular employment and begin a new chapter in your life.

The FirstEnergy Corp. Cash Balance Plan (“Plan”) is sponsored by FirstEnergy Corp. to help you build financial security for your future. It represents only a part of the income you should take into account to make the most of your retirement years. When combined with your personal savings, your account balance under the FirstEnergy Corp. Savings Plan, and your Social Security benefit, you can increase the potential for a sound financial future.

Your pension is based on your earnings, the length of time you work for the Company and your age. The Company pays the entire cost of the Plan. The Plan is a defined benefit plan and is intended to be qualified under the Internal Revenue Code (“Code”).

Benefits are paid from the FirstEnergy Corp. Master Pension Trust. The Trust pays benefits not only for the Plan, but also for all the other constituent plans maintained as a part of the FirstEnergy Corp. Master Pension Plan.

If you have any questions after reading this summary, please contact the Human Resources Service Center at 1-800-543-4654.

The Plan Administrator has outsourced certain aspects of the pension process to Aon.

- If you have not commenced your pension benefits, you can create a pension estimate by accessing “Your Pension Resources” (YPR) at <http://ypr.aon.com/firstenergy> and completing the security profile. There isn’t a limit as to the number of estimates you can create.
- If you are an active employee, when you are ready to commence your pension benefits, contact your Local HR Representative. They will arrange for your retirement session and request the necessary paperwork from Aon.
- If you are not an active employee when you are ready to commence your pension benefits, contact the FirstEnergy Pension Center at Aon toll-free at 855-326-8167.

The provisions of the Plan and eligibility for participation do not constitute an employment contract with any individual. Being a participant in this Plan does not grant any current or future employment rights. Generally, employment is not for a definite period and may be terminated at will by either the Company or the employee, subject to the collective bargaining agreement. Your right to any payment under the Plan is determined solely under the Plan’s provisions.

Definitions

Throughout this SPD, you will come across certain words or terms which are used frequently and which you should know. These terms will help you better understand your benefits. You may wish to refer back to them as you read through the SPD.

Base Earnings	Generally, your base salary or wages before deductions for income and employment taxes and reductions for Company benefit plans (which includes elective salary or wage reduction contributions to the savings plan or flexible spending account contributions) including amounts imputed pursuant to a collective bargaining agreement while on leave from a Participating Employer to work for a collective bargaining agent, military differential wage payments, in-schedule shift differentials, premium pay, temporary total or partial Worker's Compensation and base compensation payable after December 31, 2013 but deferred under a non-qualified plan. Base Earnings excludes overtime pay, annual incentive, long-term or sales awards, or any other special or additional remuneration such as reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, welfare benefits, non-elective employer contributions to the Company's Flexible Benefit Plan and any amount paid to you in lieu of vacation entitlement at the time you terminate employment for any reason. Base Earnings are only part of the earnings used to determine your benefit. (See Pensionable Earnings below.)
Beneficiary	The person who receives or is designated by you to receive benefits if you die.
Benefit Commencement Date	The first day with respect to which retirement income is payable to you, even though the day the payment is actually made to you may be later (e.g., due to mail or bank procedures), or in the case of a lump sum payment, the date it is paid.
Hours of Service	Hours for which you are paid or entitled to be paid. An Hour of Service does not include hours when you are on strike, on an unauthorized absence, on suspension without pay for disciplinary reasons, on unpaid lay-off or on union business without pay unless on leave of absence in accordance with the applicable collective bargaining agreement. Hours of Service also do not include hours of unused vacation benefits for which you are paid after termination of employment.
Normal Retirement Age	Age 65 or the date you complete three years of Eligibility Service, if later.
Normal Retirement Date	The first day of the month on or following attainment of your Normal Retirement Age.

Pensionable Earnings Base Earnings plus the following amounts paid within any specified period commencing on or after January 1, 2014: overtime pay, bonuses paid pursuant to a formal bonus program, annual incentives or cash sales incentive awards paid prior to termination of service, and annual incentives that are earned after December 31, 2013 but deferred under a non-qualified plan, sales commissions, and lump sum merit awards.

Service There are two (2) kinds of service. Eligibility Service determines your right to receive a benefit from the Plan. Benefit Service determines the amount of the benefit you will receive.

Eligibility and Participation

Who is eligible to participate in the Plan?

You are eligible to participate in the Plan, if:

- You are a non-bargaining unit employee of a Participating Employer hired or rehired on or after January 1, 2014, or
- You are a bargaining unit employee hired or rehired on or after the Coverage Date of your collective bargaining unit. The list of participating collective bargaining units and their respective Coverage Dates can be found on page 22.

You are not eligible to participate in the Plan if you are a leased employee or accruing benefits under another constituent plan.

If you have any questions about your eligibility, please contact the Human Resources Service Center (1-800-543-4654).

Crediting of Service

It's important to know how the Plan recognizes service. Service determines both your right to receive a benefit from the Plan (Eligibility Service) and the amount of the benefit you will receive (Benefit Service).

You earn years of service during any period you are employed by the Company or any affiliate after December 31, 2013 regardless of the number of hours you actually work. Fractions of a year (computed in months and days) are aggregated on the basis of 12 months constituting a year and 30 days constituting a month.

How is Eligibility Service determined?

Generally, you earn service for vesting purposes based on the guidelines above starting with your date of hire or rehire. However, your Eligibility Service may never be less than the Eligibility Service that you have earned as a participant under another constituent plan maintained as a part of the FirstEnergy Corp. Master Pension Plan.

How is my Benefit Service determined?

Generally, you earn Benefit Service based on the guidelines above starting with your date of participation in the Plan, but excluding Periods of Separation.

What is a Period of Separation?

A Period of Separation generally commences on the date your employment terminates and ends on the date you are rehired by the Company. You are not considered to have a termination of employment if you are on an authorized leave of absence, including an FMLA leave (pursuant to the Family and Medical Leave Act of 1993).

Absence on account of temporary layoff or leave of absence granted by the Company shall not be a break in your employment.

If you go on a military leave and return to work before your veteran's reemployment rights end, that time will not be a break in your employment.

If you ceased to be actively employed as a result of a maternity/paternity absence, you may be entitled, in some cases, to as much as one additional year of service.

Maternity or paternity absence includes absence from employment for the following reasons:

- Pregnancy of the employee,
- Birth of the employee's child,
- Placement of a child with the employee for adoption, and
- Caring for the child immediately following birth or placement for adoption.

For other information on the effect of your service on your benefit, please see "What happens to my Cash Balance Account if I leave before I am vested?" beginning on page 8 and "What happens if I am reemployed by the Company after retirement?" beginning on page 17.

Cash Balance Account

What is my Cash Balance Account?

At the time you become a participant in the Plan, a Cash Balance Account will be established for you. The Cash Balance Account is a nominal (in name only) account, for purposes of tracking the amount of pension benefits you earn under the Plan. You have no actual individual account and have no claim to any particular assets of the Plan until you are vested.

How does my Cash Balance Account increase each year?

Your Cash Balance Account increases with two types of credits:

- Pay Credits
- Interest Credits

What are Pay Credits?

A **Pay Credit** is an amount equal to a percentage of your Pensionable Earnings. Pay Credits are credited to your Cash Balance Account annually. The percentage used to determine the amount of your Pay Credit is found on the chart below.

If your age plus Service Points are:	Your Pay Credit percentage is:
Less than 40	4%
40 - 49	5%
50 - 59	6%
60 - 69	7%
70 - 79	8%
80 or more	9%

Both **Age** and **Service Points**, for purposes of determining your Pay Credit percentage, are based on years and full months attained (with months converted to 4 decimal places) as of the last day

of the Plan Year (or your last day of service if you terminate employment during the year). The sum of Age and Service Points will be rounded down to the nearest whole number.

Your **Service Points are equal to your years and months of Benefit Service.**

This example shows how the annual allocation of Pay Credits would be determined:

- Jack was eligible for the Plan on January 1 and has earned four (4) Service Points as of December 31 of his fourth year of participation
- He is 39 years old as of the same December 31
- His Pay Credit percentage is 5% (age plus Service Points equals 43 which results in 5% from chart)
- His Pensionable Earnings as of the same December 31 are \$35,000
- Jack's Pay Credit for the Plan Year is \$1,750 ($\$35,000 \times 5\% = \$1,750$)

How will interest credits be added to my Cash Balance Account?

Interest Credits are guaranteed under the Plan as long as your benefit hasn't been distributed from your Cash Balance Account or forfeited because you left the Company before you were vested. An annual Interest Credit will be added to your Cash Balance Account on December 31 and will be based on your account balance as of December 31 of the prior Plan Year.

The Interest Credit calculation is as follows:

$$\text{Interest Credit rate} \times \text{your account value as of December 31 of the prior Plan Year} \\ = \text{your Interest Credit for the current Plan Year}$$

What rate of interest will be credited to my Cash Balance Account?

The Interest Credit rate is equal to the 30-Year Treasury Rate for the month of October in the prior Plan Year, but will never be less than 2.57%.

Let's take a look at how Pay Credits and Interest Credits work together to make your Cash Balance Account grow.

For these examples, let's assume:

- Jill became a participant in the Plan at age 48 on January 1
- Her Pensionable Earnings are \$35,000 each year

The interest rate for determining Interest Credits is 3.5%.

Jill's Account Balance on December 31 of the same year she became a participant:

- Jill's account balance on December 31, of the prior year is \$0.00
- Jill's Pay Credit on December 31 of her first year of participation, will be determined as follows:
 - Since service is counted from the date of participation in the Plan, Jill has earned one (1) Service Point as of December 31
 - Jill's Service Points (1) added to her age (48) on December 31 = 49
 - Jill's Pay Credit for the Plan Year is \$1,750 ($5.0\% \times \$35,000$)

- Jill will have no Interest Credit because she did not have a prior year account balance on December 31
- Jill's December 31 account balance will be \$1,750 (\$0.00: the prior year-end account balance + \$0.00: Interest Credit on the prior year end account balance + \$1,750: current year Pay Credit)

Jill's Account Balance on December 31 of Year Two of Employment:

- Jill's account balance on December 31, of the prior year is \$1,750
- Jill's Pay Credit on December 31 of her second year of participation will be determined as follows:
 - Since service is counted from the date of participation in the Plan, Jill has earned two (2) years of Service Points as of December 31 of the second year
 - Jill's Service Points (2) added to her age (49) on December 31 = 51
 - Jill's Pay Credit for the second year is \$2,100 (6.0% x \$35,000)
- Jill's Interest Credit is \$61.25 (3.5% x \$1,750)
- Jill's December 31 account balance will be \$3,911.25 (\$1,750: the prior year-end account balance + \$61.25: Interest Credit on the \$1,750 prior year end account balance + \$2,100: second year Pay Credit)

The following is a chart showing how Jill's Cash Balance Account could grow in 8 years when she is 55. Amounts shown assume no pay increases and a constant 3.5% interest rate.

Year	Pay Credit Calculation						Interest Credit Calculation			EOY Account Balance
	EOY Age	EOY Service	EOY Points	Pay Credit %	Pensionable Earnings	Total Pay Credit Amount	Total Prior EOY Account Balance	Interest %	Interest Credit	Total EOY Account Balance
1	48	1	49	5.00%	\$35,000	\$1,750	\$0	NA	\$0	\$1,750
2	49	2	51	6.00%	\$35,000	\$2,100	\$1,750	3.5%	\$61	3,911
3	50	3	53	6.00%	\$35,000	\$2,100	\$3,911	3.5%	\$137	\$6,148
4	51	4	55	6.00%	\$35,000	\$2,100	\$6,148	3.5%	\$215	\$8,463
5	52	5	57	6.00%	\$35,000	\$2,100	\$8,463	3.5%	\$297	\$10,860
6	53	6	59	6.00%	\$35,000	\$2,100	\$10,860	3.5%	\$380	\$13,340
7	54	7	61	7.00%	\$35,000	\$2,450	\$13,340	3.5%	\$467	\$16,257
8	55	8	63	7.00%	\$35,000	\$2,450	\$16,257	3.5%	\$569	\$19,276

How will I know how much my Cash Balance Account is worth?

You may periodically request a statement showing the value of your Cash Balance Account.

This example shows what Jill might see if she requested a statement (after her year-end account balance was determined) when she will be 51.

Total Pay Credits	Total Interest	Jill's Cash Balance Account at age 51
\$8,050.00	\$413.33	\$8,463.33

As noted above, these amounts assume no pay increases and 3.5% interest each year. Actual account balances will depend on each individual's Pay Credits and Interest Credits.

Vesting: Earning Your Right to Your Benefit

When do I become vested in my Cash Balance Account?

If you leave the Company after completing 3 or more years of Eligibility Service, you will be fully vested in, and eligible to receive, a pension benefit. You can elect to receive your benefit in any of the forms of payment available under the Plan. If you wish to receive benefits, you must apply in writing to the Plan Administrator not more than 90 days before your planned benefit commencement.

What happens to my Cash Balance Account if I leave before I am vested?

If you leave the Company before you are vested, your Cash Balance Account will be forfeited and you will not be entitled to receive any benefits from the Plan.

What happens to my Cash Balance Account if I return to work?

If you terminate employment and are later rehired by the Company, you may be eligible to receive credit for your prior service under certain conditions. It will depend on whether or not you are vested at the time you terminate employment and the length of your Period of Separation.

Although each rehire situation needs to be reviewed on a case by case basis, there are some general guidelines that will apply.

If you are vested at the time you terminate employment

If you are vested at the time you terminate employment, your years of Vesting Service and Benefit Service, both before and after the Period of Separation, will be counted if you are rehired.

If you are not vested at the time you terminate employment

If you are not vested at the time you terminate employment and are later rehired, your years of Vesting Service and Benefit Service before your Period of Separation will be counted if the length of your Period of Separation does not equal or exceed the greater of (1) 3 years or (2) the Vesting Service you earned prior to the Period of Separation.

Eligibility for Retirement Income

Types of Retirement

Whether or not you are eligible for retirement income depends on your age and the number of years of Eligibility Service you have when you terminate employment. In order to be entitled to a pension benefit you must have acquired at least 3 years of Eligibility Service ('vested').

There are three (3) retirement types under this Plan:

Normal Retirement

Normal Retirement occurs when you terminate employment and commence your pension benefit on the first day of the month following the later of your 65th birthday or the date you complete 3 years of Eligibility Service.

Deferred Retirement

Deferred Retirement occurs when you choose to work beyond Normal Retirement and you have 3 or more years of Eligibility Service, when you finally terminate employment. Up to that point you will continue to earn credit for Benefit Service and your benefits will not start until the day after you actually terminate employment. You should also know that applicable law requires that your benefit start no later than April 1 of the year following the year you reach age 70-½.

Terminated Vested Retirement

Terminated Vested Retirements occur when a vested employee terminates employment before they are eligible for Normal Retirement. Your benefit will be based on your Cash Balance Account at the time of your termination, if you elect to commence benefits immediately. Your Account will continue to earn Interest Credits if you defer the commencement of your benefits.

Forms of Benefit Payment

What is the normal form of benefit payment?

If you are married, the normal form of benefit payment is an Automatic 50% Joint & Surviving Spouse Annuity Option. This form reduces the amount of your monthly pension benefit, but in the event of your death, continues to pay 50% of the reduced benefit to your spouse for the remainder of his or her life.

An Example of 50% Joint & Surviving Spouse Annuity Option

Ages of participant and spouse at commencement	65 and 63, respectively
Deferred Retirement benefit	\$1,062.50
Participant monthly benefit under the 50% surviving annuity option	\$957.42
Surviving spouse monthly benefit after participant's death	\$478.71

If you are **not** married, the normal form of benefit payment is a Single Life Annuity. You will receive monthly pension benefits for the rest of your life. No payments will be made after your death.

What are the optional forms of payment?

All optional forms of benefit payment are subject to any applicable spousal consent described beginning on page 10 of this SPD. To comply with federal regulations, if you designate a Beneficiary other than your spouse, the Joint and Surviving Spouse Annuity Option percentage may be reduced, to no less than the 50% Joint & Survivor payment option, if your designated Beneficiary is significantly younger than you are.

Total Distribution Option

Under this option, you will receive a one-time Total Distribution of your current account balance. Once paid, no further payments will be made regardless of your marital status. You may elect to take your Total Distribution as all cash or to roll it over to an Individual Retirement Account (IRA), your savings plan account or any combination.

Single Life Annuity Option

Under this option, you receive a monthly benefit for your lifetime. The monthly amount is determined by applying certain interest and mortality factors to the balance credited to your Cash Balance Account and thereby obtaining a monthly amount which is equivalent to the lump sum value of your Cash Balance Account. Upon your death, all payments will stop and no further benefit payments will be made.

Joint and Survivor Annuity Option

Under this option, the monthly amount you receive during your lifetime is less than the amount you would receive under a Single Life Annuity. The amount of the reduction depends on the ages of you and your Beneficiary, and the percentage to be continued after your death. You can elect that after your death 50%, 75% or 100% of the monthly amount you receive will be paid to your Beneficiary for his or her life. If your Beneficiary predeceases you, the amount of your monthly benefit will not change.

If you are eligible for benefits under another part of the Master Plan, please contact the Plan Administrator to see if there are additional forms of payment available to you

How do I commence my pension benefit and elect a benefit option when I terminate employment or retire?

You are asked to give between 60 and 90 days' notice of your retirement. This will allow time to calculate all of the available options, provide you with estimates of those options, and give you time to review them with your tax or other financial advisor.

Once you (and your spouse, if applicable) have decided on the best option for you, you must complete and return the Pension Benefit Election Form by the date designated in your Retirement Kit from Aon. This date is typically the later of your commencement date or 45 days after the Kit was prepared.

Does my spouse have to agree to a benefit option?

If you are married, your spouse must agree in writing to the election of your retirement benefits in a form other than the Automatic 50% Joint & Surviving Spouse Annuity Option normal form of benefit payment.

Your spouse's written consent must be signed and returned by the later of your commencement date or 45 days after your Retirement Kit was prepared. In addition, the signature must be witnessed by a notary or by an authorized Plan representative.

Can I change my benefit election?

You may change your election as to the form of payment of your retirement benefit up to the date designated in your Retirement Kit from Aon, with proper spousal consent as necessary. As soon as payment of benefits begins, you may not change the form of payment after this date.

Can I change my Beneficiary?

When and how you can change your Beneficiary depends on the form of benefit payment you elected, and when you want to make the change. Proper spousal consent (see above), or a waiver of the right to consent, must be obtained if you are married. Beneficiary designation forms may be obtained from Human Resources Service Center.

If the Beneficiary of a Joint and Survivor Annuity Option dies before the Benefit Commencement Date, the option is automatically revoked, and you may elect a new optional form of benefit payment and/or Beneficiary.

Death Benefits

The primary purpose of the Plan is to provide you with income during retirement. However, the Plan may help provide financial security for your surviving spouse or designated Beneficiary(ies) after your death.

What happens if I die before I am vested?

If you die **before you become vested in the Plan**, your survivors are not entitled to a benefit from the Plan.

What happens if I die after I am vested?

If you **are vested** and die before your benefit payments begin, your surviving spouse or designated Beneficiary may be eligible for benefits under the Plan, which commence or are paid within 180 days following your death.

If you are married, die before your Benefit Commencement Date, and either have designated your spouse as your Beneficiary or have not designated a Beneficiary, your spouse will receive a monthly life annuity as if he or she had been the participant and had elected the Single Life Annuity Option. As an alternative to the Single Life Annuity Option, your spouse can choose to take a Total Distribution.

If you are married, die before your Benefit Commencement Date, and have designated a non-spouse Beneficiary(ies), your designated Beneficiary(ies) will receive your account balance under the one-time Total Distribution Option.

If you are single and die before your Benefit Commencement Date, your designated Beneficiary(ies) will receive your account balance under the one-time Total Distribution Option.

How do I designate a Beneficiary(ies)?

When you become a participant, you may designate one or more Beneficiaries to receive a survivor benefit if you die. You can change your Beneficiary(ies) at any time prior to your Benefit Commencement Date. The Cash Balance Pre-Commencement Survivor Benefit Form (X-4328) is available from the Human Resources Service Center (1-800-543-4654).

IMPORTANT: If you are unmarried you must complete the Cash Balance Pre-Commencement Survivor Benefit Form in order to designate someone as your Beneficiary in the event you die before commencing your pension.

If you are married, you must get spousal consent if you want to complete the Cash Balance Pre-Commencement Survivor Benefit Form and designate a non-spouse Beneficiary. The spousal consent must be in writing, and your spouse's signature must be witnessed by a Plan representative or a Notary Public.

If you die prior to your Benefit Commencement Date, without designating a Beneficiary, your Beneficiary will be deemed to be the person or persons in the first of the following classes in which there are any survivors:

- your spouse at the time of your death,
- your surviving children (divided equally), or
- your estate.

If you die while receiving benefits:

If you die while receiving benefits under the Plan, any continuation of payments will be controlled by the form of payment you selected (see *Forms of Benefit Payment*). For example, if you were receiving payments as a single life annuity, then no amounts are payable after your death.

Other Information You Should Know

The preceding sections of this SPD have described major provisions of the Plan. This section concerns other relevant information, including the Plan's claims procedure.

What do I do if my application for a pension benefit is denied?

If you or your beneficiary feels that you are entitled to benefits from the Plan, you or your beneficiary may file a written claim with the Plan Administrator. The Plan Administrator has delegated the fiduciary obligation of payment of benefits and initial claims determination to the FirstEnergy Retirement Programs Section of the Human Resources Department ("Retirement Programs"). The decision of Retirement Programs concerning your claim will be given to you within a reasonable period of time, but generally not later than 90 days (45 days for claims regarding disability) after receiving the claim. If Retirement Programs determines that special circumstances require a longer period to act on your claim, you will be given notice that the additional time is needed before the end of the 90-day period (45-day period for claims regarding disability). The extension will not exceed a period of 90 days (30 days for claims regarding disability) from the end of the initial 90-day period (45-day period for claims regarding disability).

If your claim is denied, in whole or in part, you will be notified. The notice will be written in a manner to be understood by you and will include the following:

- The specific reason or reasons for the adverse benefit determination.
- The specific Plan provisions on which the adverse benefit determination is based.
- A description of any further material or information which is necessary for you to perfect (complete) your claim and an explanation of why the material or
- An explanation of the Plan's claim review procedure and time limits applicable to the Plan's claim review procedures, including a statement of your right to bring a civil action under ERISA Section 502(a) following an adverse determination on review.
- In the case of an adverse benefit determination regarding disability the notice must include:
 - A discussion of the determination, including an explanation of the basis for disagreeing with or not following: (A) the views presented by you of health care professionals treating you and vocational professionals who evaluate you, (B) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your determination, without regard to whether the advice was relied upon in making the determination, and (C) a disability determination regarding you made by the Social Security Administration.
 - Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the determination or a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist.
 - If the adverse benefit determination is based on medical necessity or experimental treatment or similar exclusion or limit, a statement that an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, will be provided free of charge upon request.
 - A statement displayed in any applicable non-English language (i.e., if 10% of more of the population residing in the county to which the notice is sent are literate only in some non-English language) clearly indicating how to access the language services provided by the Plan.

You have the right to ask for a review of an adverse benefit determination by making a request in writing to the Retirement Board within 60 days (180 days for claims regarding disability) after the adverse benefit determination is made. Your request must contain the following information:

- The date on which your request was filed with the Retirement Board (although the actual date of filing will govern the timeliness of the request).
- The specific portions of the adverse benefit determination that you request the Retirement Board to review.
- A statement by you setting forth the basis upon which you believe the Retirement Board should reverse the previous adverse benefit determination and accept your claim as made.
- Any written material (offered as exhibits) which you desire the Retirement Board to examine in its consideration of your position.

You or your authorized representative may (i) submit written comments, documents, records and other information relating to your claim for benefits, (ii) review pertinent documents, (iii) upon request in the manner and form required by the Retirement Board and free of charge, be provided reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits, and (iv) make an oral presentation to the Retirement Board (notice will be provided to you at least 10 days prior to the hearing date).

Before the Plan issues an adverse determination on review regarding disability, the Plan will provide you, free of charge, with the following as soon as possible and sufficiently in advance of the date on which notice of the determination is required to give you a reasonable opportunity to respond prior that date:

- Any new or additional evidence considered, relied upon, or generated by (or at the direction of) the Plan, insurer, or other person making the determination in connection with your claim.
- If the determination is based on a new or additional rationale, the rationale.

The review by the Retirement Board will take into account all comments, documents, records and other information submitted by you relating to the claim, without regard to whether the information was part of the initial benefit determination. For claims regarding disability, (i) the review will not afford deference to the initial adverse benefit determination and will be conducted by an appropriate named fiduciary who is neither the individual who made the adverse benefit determination nor the subordinate of such individual, and (ii) if the adverse benefit determination is based in whole or in part on a medical judgment, the appropriate named fiduciary will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment, and is not the health care professional who was consulted in connection with the initial adverse benefit determination or the subordinate of such individual.

The decision of the Retirement Board on your appeal will be given to you in writing within a reasonable period of time, but generally not later than 60 days (45 days for claims regarding disability) after receiving your appeal request. If the Retirement Board determines that special circumstances require a longer period to act on your claim, you will be given notice that the additional time is needed before the end of the 60-day period (45-day period for claims regarding disability). The extension will not exceed a period of 60 days (45 days for claims regarding disability) from the end of the initial 90-day period (45-day period for claims regarding disability).

The decision on review, if adverse, will be written in a manner to be understood by you and will include the following:

- The specific reason or reasons for the adverse benefit determination.
- The specific Plan provisions on which the adverse benefit determination is based.
- A description of any further material or information which is necessary for you to perfect (complete) your claim and an explanation of why the material or information is needed.
- An explanation of the Plan's claim review procedure and time limits applicable to the Plan's claim review procedures, including a statement of your right to bring a civil action under ERISA Section 502(a) following an adverse determination on review.
- In the case of an adverse benefit determination regarding disability the notice must include:
 - A discussion of the determination, including an explanation of the basis for disagreeing with or not following: (A) the views presented by you of health care professionals treating you and vocational professionals who evaluate you, (B) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your determination, without regard to whether the advice was relied upon in making the determination, and (C) a disability determination regarding you made by the Social Security Administration.
 - if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, a statement that such rule (etc.) will be provided free of charge to the claimant upon request, or a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist,
 - if the adverse benefit determination is based on medical necessity or experimental treatment or similar exclusion or limit, a statement that an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, will be provided free of charge upon request.
 - A statement displayed in any applicable non-English language (i.e., if 10% of more of the population residing in the county to which the notice is sent are literate only in some non-English language) clearly indicating how to access the language services provided by the Plan.
 - Any applicable contractual limitations period that applies to the claimant's right to bring an action under Section 502(a) of ERISA, including the calendar date on which the contractual limitations expires for the claim.

Until your appeal rights outlined in this section have been exercised to recover any Plan benefits denied in whole or in part, you cannot bring legal action against the Plan, the Company, the Plan Administrator or the Retirement Board to try to recover those benefits. If you choose to bring suit, you must bring suit within 180 days after the Retirement Board's decision and you may file it only in the United States District Court for the Northern District of Ohio.

What happens if the Plan becomes top-heavy?

If at any time it is determined that 60% or more of the value of the accrued benefits under this Plan are attributable to "key employees" (certain officers or highly compensated employees), the

Plan may be deemed to be “top-heavy.” In the unlikely event that the Plan becomes top-heavy, non-key employees may be entitled to certain minimum benefits. If the Plan becomes top-heavy, the Plan Administrator will advise you.

What if I receive a benefit overpayment?

If the Plan pays benefits that are in excess of your actual benefit amount, due to error (including, for example, a clerical error), fraud or for any other reason, the Plan reserves the right to recover such overpayment plus interest and costs, through whatever means are necessary, including legal action or by offsetting future benefit payments to you, your beneficiary, or you or your beneficiary’s heirs, assigns or estate.

Can the Plan be amended or terminated?

The Company intends to continue the Plan, but reserves the right, subject to negotiation, to discontinue, change or terminate the Plan at any time by action of its Board of Directors. If a Plan amendment affects your Plan benefit, the benefit you have earned up to the date of the amendment will not be reduced, except as permitted by law.

If the Plan terminates or partially terminates, you will be fully vested in your accrued benefit, and you will receive a distribution, generally in the form of a deferred annuity contract, with payments beginning when you reach retirement age. Assets in the Trust Fund will be used to provide these benefits, and no assets will be used for any other purpose until the complete satisfaction of all accrued benefits. After these obligations are met, any excess assets may revert to the Company.

Are my benefits protected?

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

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

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

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

For more information about the PBGC and the benefits it guarantees, ask the Plan Administrator or contact the PBGC, P.O. Box 15175, Alexandria, Virginia 22315-1750 or call 1-800-400-7242. TTY/TTD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at www.pbgc.gov.

Is there a limit on how much can be paid to me from the Plan?

IRS regulations impose certain limitations on the amount of benefits that can be paid to you.

Compensation Limits Under the Plan

Compensation that may be used to calculate your benefit under the Plan is limited by federal law and may be adjusted annually.

Maximum Payment

The IRS places maximum limits on pension Plan benefits. If your benefits are affected by this limit, you will be notified when you retire.

What happens if I am reemployed by the Company after retirement?

If you begin to receive retirement benefits, you should know that your benefit payments will be suspended for the month following the month in which your annual Hours of Service exceed 960, unless the benefits you are receiving are the required distributions described under "Deferred Retirement" on page 9. You will receive a notice from the Employer prior to or during the first calendar month or payroll period in which payments are withheld that (1) explains the reason for the suspension, (2) provides a copy of the suspension provisions found in the Plan and an explanation of it, and (3) states where you can obtain additional information, such as the fact that applicable Department of Labor regulations can be found in Section 2530.203-3 of the Code of Federal Regulations.

Under what circumstances can my benefits be used as collateral or paid to someone other than me?

You cannot assign, transfer or attach your benefits, and you cannot use them as collateral for a loan. Your benefits can be assigned or attached by others in certain circumstances (e.g., wrongdoing involving the Plan, offsets for overpayments, a federal tax levy and certain domestic relations orders).

Federal law requires the Plan to comply with a valid Qualified Domestic Relations Order (QDRO). A QDRO is a legal judgment, order, or decree that recognizes the rights of another person under the Plan with respect to child support, alimony payments, or marital property rights, and that is approved by QDRO Consultants. Domestic relations orders must be submitted to the Plan for a determination by QDRO Consultants as to whether the orders are qualified. Participants and beneficiaries can obtain from QDRO Consultants, without charge, a copy of the Plan's procedures governing QDROs.

All QDROs are processed by QDRO Consultants Co. whose mailing address is 3071 Pearl Road, Medina, OH 44256, Attention: FirstEnergy QDRO Compliance Team. The telephone number is 800-527-8481.

What rights do I have under ERISA?

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

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office, all documents governing the Plan 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 and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of the Annual Funding Notice.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (generally 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 the 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 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 a way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a 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 the plan document or the latest annual report from the plan and do not receive them within 30 days, you may file a suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that 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. You and your

beneficiaries can also obtain, without charge, a copy of the QDRO procedures from the Plan Administrator.

As a reminder, before you file you must first comply with the claims procedures described in this SPD, including all timing requirements. If you do not follow these claims procedures accordingly, you will have no right of appeal and no right to file a lawsuit for plan benefits, and any denial of a claim for benefits will become final and binding.

If it should happen that the 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 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 court costs and legal 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 questions about this statement or your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest area 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, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA.

Required Legal Information

Under the Employee Retirement Income Security Act of 1974 (ERISA), each employee is to be provided with certain details about benefit plans. This information is listed below. If you need additional information, please contact the Human Resources Service Center or your local U.S. Department of Labor.

Plan Name

FirstEnergy Corp. Cash Balance Plan

The provisions of the Plan can be found in Parts A and L of the FirstEnergy Corp. Master Pension Plan.

Plan Sponsor's Name and Address

FirstEnergy Corp.
76 South Main Street
Akron, OH 44308

Plan Sponsor's Employer Identification Number (EIN)

34-1843785

ERISA Plan Number

001

Plan Year

January 1 to December 31

Type of Plan

Defined Benefit Cash Balance Plan

Funding of Plan

All money that is contributed by the Company to the Plan is held in a trust fund. No contributions are required of or accepted from you. If we fail to meet minimum funding requirements, we can be subject to penalties, benefit payments may be restricted, and certain notices to participants may need to be provided.

The Trustee is responsible for the safekeeping of the trust fund and must hold and invest Plan assets in a prudent manner and in the best interest of you and your beneficiaries. The trust fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which benefits will be distributed.

Plan Trustee

The Bank of New York Mellon, Trustee
One Wall Street
New York, NY 10286

Plan Administrator

FirstEnergy Corp. Retirement Board
76 South Main Street
Akron, OH 44308
(330) 384-5417

The Plan Administrator controls and manages the Plan in its discretion. The Plan Administrator's powers include the power, in its discretion, to:

- Interpret the Plan,
- Construe or apply any of the Plan's provisions and
- Make all final determinations as to the rights of any person to benefits under the Plan.

The Plan Administrator's interpretations, constructions and applications of the Plan, and its determinations as to the rights of any person to benefits under the Plan, are conclusive and binding except as may otherwise be provided by applicable law.

In the exercise of its powers, the Plan Administrator may appoint one or more entities to administer benefit claims and payments made under the Plan.

The Plan Administrator has delegated the administration of benefit payments and claims to the FirstEnergy Retirement Programs. The FirstEnergy Retirement Programs has been given the authority to interpret, construe, and apply the provisions of the Plan in determining the extent to which a claim will be paid. The Retirement Board is responsible for making determinations upon the appeal of a claim that has been denied.

Agent for Service of Legal Process

Legal process may be served on the Plan Administrator or the Retirement Board, or, with respect to any matters relating to benefit payments and claims to the FirstEnergy Retirement Programs. These documents have to be filed with:

CT Corporation System
400 Easton Commons Way
Suite 125
Columbus, OH 43219

Legal process may also be served on the trustee of assets held under the Plan at the following address:

The Bank of New York Mellon
One Wall Street
New York, NY 10286

Any civil suit brought against the Plan, Plan Administrator, Plan Sponsor or any other Plan fiduciary may only be submitted and filed in the United States District Court for the Northern District of Ohio.

Participating Employers and Identification Numbers

FirstEnergy Nuclear Operating Company	EIN 34-1881483
Metropolitan Edison Company	EIN 23-0870160
Jersey Central Power & Light Company	EIN 21-0485010
Allegheny Energy Service Company	EIN 13- 1993896
Ohio Edison Company	EIN 34-0437786
FirstEnergy Generation Corp.	EIN 34-1940561
The Toledo Edison Company	EIN 34-4375005
FirstEnergy Solutions Corp.	EIN 31-1560186
West Penn Power Company	EIN 13-5480882
The Cleveland Electric Illuminating Company	EIN 34-0150020
FirstEnergy Service Company	EIN 34-1968288
Pennsylvania Electric Company	EIN 25-0718085
Pennsylvania Power Company	EIN 25-0718810
Monongahela Power Company	EIN 13-5229392
The Potomac Edison Company	EIN 13-5323955

Additions or deletions to the list of Participating Employers may be made at any time. An up-to-date listing of Participating Employers may be obtained from the Plan Administrator.

Participating Unions

The Plan is maintained pursuant to the collectively bargained agreements between Participating Employers and various unions. Any terms of the collective bargaining agreement that relate to

pension plan benefits are considered to be incorporated into the Plan. Participants or beneficiaries may request in writing to the Plan Administrator a copy of the collective bargaining agreements related to the Plan. In addition, collective bargaining agreements related to the Plan are available for examination by contacting your local union representative.

Participating Unions in accordance with the labor agreements:

Union	Coverage (Participation) Date
International Brotherhood of Electrical Workers (IBEW) A.F.L.-C.I.O:	
• Local 50	January 1, 2014
• Local 1194	January 1, 2014
• Local 2357	January 1, 2014
• Local 777S (Reading Call Center)	January 1, 2014
• Local 29	January 1, 2015
• Local 29 (Maintenance Planners)	January 1, 2014
• Local 777	January 1, 2015
• Local 245	January 1, 2016
• Local 272	January 1, 2016
• Local 1288	January 1, 2016
• Local 459 (except Seneca)	January 1, 2017
• Local 1413	January 1, 2017
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Utility Workers Union of America (UWUA), A.F.L.-C.I.O:	
• Local 270 (except Perry Techs)	January 1, 2014
• Local 180	January 1, 2015
• Local 304	January 1, 2015
• Local 102	January 1, 2015
• Local 118/126	January 1, 2016
• Local 140	January 1, 2016
• Local 350/351	January 1, 2016
• Local 457	January 1, 2016
• Local 270 Perry Techs	January 1, 2017
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Office and Professional Employees International	
• Local 19	January 1, 2017
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