FirstEnergy Corp. Cash Balance Plan

QUALIFIED DOMESTIC RELATIONS ORDER PROCEDURES

Effective August 17, 2018

Active and Terminated Vested Participants
Separate Interest Assignments

QDRO Consultants
your partner in QDRO and QMCSO services

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INTRODUCTION

FirstEnergy Corp. is the Plan Administrator of the FirstEnergy Corp. Cash Balance Plan (**Plan**). The Plan Administrator has arranged for QDRO Consultants to review domestic relations orders (**DROs**) related to the Plan, and to determine whether they are qualified domestic relations orders (**QDROs**). The Plan Administrator may also delegate other duties, including those identified in these QDRO Procedures, to QDRO Consultants, the Plan's recordkeeper, or another party.

The Plan Administrator adopted these QDRO Procedures to help Plan Participants and other interested parties prepare QDROs more effectively and efficiently. Among other things, these QDRO Procedures explain:

- Who to contact for relevant information or Plan documents;
- The required information that must be in a DRO;
- The important information that should be in a DRO, and how the DRO will be interpreted if such information is not included;
- Model or sample language to assist the parties in preparing a DRO;
- Where to send a draft or Executed DRO for review;
- How the Alternate Payee's interests will be protected during the DRO review process, including any time or other limits on the review period;
- The opportunity to revise a rejected DRO;
- The opportunity to appeal an approved DRO;
- Who the Alternate Payee should contact to begin benefit payments; and
- What happens when the Participant or Alternate Payee dies.

Please Note: Use these QDRO Procedures only if both (1) the Plan Participant has not begun to receive Plan benefit payments, and (2) the DRO is intended to be a Separate Interest QDRO and not a Shared Payment QDRO. . Normally, the parties intend for the DRO to be a Separate Interest QDRO if the Participant has not yet begun to receive benefit payments. If either of the two factors above do not apply, contact QDRO Consultants to obtain the appropriate QDRO Procedures. See the "DEFINITIONS" section, below, for information about Shared Payment and Separate Interest QDROs.

CONTACT INFORMATION

If you have questions or requests related to the review or determination of a QDRO, please contact QDRO Consultants at:

QDRO Consultants
3071 Pearl Road
Medina, OH 44256
Attn: FirstEnergy QDRO Team
Phone: (800) 527-8481
Fax: (330) 722-2735

If you need Plan documents (such as a summary plan description), or if you have other questions or requests related to the Plan or a Participant, please contact the Plan Administrator at:

FirstEnergy Corporation
76 South Main Street
Akron, OH 44309
Attn: Retirement Board

H. R. Service Center (800) 543-4654

DEFINITIONS

Alternate Payee: An Alternate Payee is a Participant's spouse, former spouse, child, or other dependent who is assigned Plan benefits in a DRO.

Approval Letter: A letter to the interested parties that (1) indicates QDRO Consultants has approved an Executed DRO, (2) explains how the Plan Administrator will administer the QDRO's terms and provisions, and (3) outlines the parties' right to appeal the QDRO.

Cash Balance Benefit: A Cash Balance Benefit is a Plan benefit that is expressed as a hypothetical account balance of a lump sum dollar value. See the "BENEFIT ASSIGNMENT LANGUAGE" section, below, for information about this benefit.

Domestic Relations Order (DRO): Generally, a DRO is a court order, or an order issued by another authorized state agency, that (1) is made pursuant to a state domestic relations law, and (2) provides for payment of child support, alimony, or marital property rights to an Alternate Payee.

ERISA: ERISA is the acronym for the Employee Retirement Income Security Act of 1974, as amended, which governs most retirement and pension plans.

Executed DRO: A DRO that is signed and file stamped by the appropriate state court, or signed and dated by the relevant state agency, including a copy of such DRO.

Participant: An individual who has a Cash Balance Benefit in the Plan.

Plan: The pension plan identified in the "INTRODUCTION" section above.

Plan Administrator: The person(s) or entity identified in the "INTRODUCTION" section, above, designated by the Plan's sponsor to have primary authority and responsibility to administer the Plan's terms and provisions.

Pre-Approval Letter: A letter to the interested parties that indicates QDRO Consultants has approved a draft DRO that would be a QDRO if it were an Executed DRO.

QDRO Consultants: QDRO Consultants Co., LLC, which was hired by the Plan Administrator to review DROs related to the Plan, to determine whether DROs are qualified pursuant to the Plan Administrator's instructions, and to send relevant notices to the interested parties.

Qualified Domestic Relations Order (QDRO): A QDRO is a DRO that (1) requires the Plan Administrator to assign or transfer some or all of a Participant's Plan benefits to an Alternate Payee, (2) contains the information required by ERISA Section 206(d)(3)(C), (3) does not violate the restrictions in ERISA Section 206(d)(3)(D), and (4) satisfies the other requirements contained in these QDRO Procedures. Also, a DRO is not a QDRO until QDRO Consultants has determined, consistent with the Plan Administrator's instructions, that the DRO is qualified.

Separate Interest QDRO: A QDRO that assigns a benefit that is based on an Alternate Payee's life expectancy, not a Participant's. Under this type of QDRO an Alternate Payee can elect benefit payments that (1) may be different from, and may begin sooner than, the Participant's benefit payments, and (2) continue for the Alternate Payee's life, even if the Participant dies before the Alternate Payee. QDRO Consultants will reject a Separate Interest QDRO if the Participant has already begun to receive Plan benefit payments.

Shared Payment QDRO: A QDRO that assigns a benefit that is based on a Participant's life expectancy, not an Alternate Payee's. Under this type of QDRO an Alternate Payee receives a portion of a Participant's payments that (1) are based on the form and timing of payment the Participant elects, and (2) generally do not continue after the Participant's death, even if the Alternate Payee is still alive at that time. The parties must use a Shared Payment QDRO if the Participant has already begun to receive Plan benefit payments.

Traditional Pension Benefit: A Traditional Pension Benefit is a Plan benefit that is expressed as a periodic (e.g., monthly) annuity payment amount that is payable to the Participant beginning on the Participant's normal retirement date. See the "BENEFIT ASSIGNMENT LANGUAGE" section, below, for information about this benefit.

QDRO CONTENTS

Generally, a DRO must contain certain "required information" to be a QDRO, and should include certain other "important information." The subsections below discuss these categories of information in more detail.

Model QDRO Language, which addresses all required issues, can be provided to assist you in preparing the DRO.

REQUIRED INFORMATION

Generally, QDRO Consultants will reject a DRO that does not contain the required information listed below, or includes instructions that are not clear. However, if a DRO does not contain a party's last known mailing address, social security number, and/or date of birth, and if QDRO Consultants otherwise receives the missing information, QDRO Consultants will review the DRO as if it contains the missing information. Also, if a DRO contains a retirement plan name that is not the Plan's exact legal name, as identified below, and if it is clear that the plan referenced in the DRO is intended to be the Plan, QDRO Consultants will review the DRO as if it contains the Plan's legal name.

Names and Addresses: The DRO must include the names and last known mailing addresses of the Participant and Alternate Payee.

Social Security Numbers: The DRO must include the social security numbers for the Participant and Alternate Payee. For privacy reasons, you may provide these in a separate document.

Dates of Birth: The DRO must include the dates of birth for the Participant and Alternate Payee. For privacy reasons, you may provide these in a separate document.

The Plan's Legal Name: The DRO must identify the Plan by its legal name: FirstEnergy Corp. Cash Balance Plan.

State Domestic Relations Law: The DRO must state that it is made pursuant to a state domestic relations law.

Child Support / Alimony / Marital Property Rights: The DRO must indicate that it provides child support, alimony, and/or marital property rights to the Alternate Payee.

Alternate Payee's Benefits: The DRO must clearly state the portion of the Participant's Plan benefit that is assigned to the Alternate Payee. Please see the "BENEFIT ASSIGNMENT LANGUAGE" section, below, for more information about Plan benefits and how to assign them.

Separate Interest Benefit: The DRO must clearly state that it assigns a Separate Interest benefit that is actuarially adjusted, if necessary, to be based on the Alternate Payee's life expectancy. Please see the Plan's Summary Plan Description for information about actuarial adjustments.

Payment Date: The DRO must include language that permits the Alternate Payee to elect to begin receiving his/her benefits as soon as administratively possible after (1) the date that the DRO is determined to be a QDRO, and (2) the earliest date either the Plan permits or relevant law requires. Please see the Plan's Summary Plan Description for information about the impact of this date on the calculation of benefit payments.

Payment Form/Period: The DRO must include language that permits the Alternate Payee to elect any form of payment that is generally available to alternate payees, and that payments will be made over the period of time required by such form of payment.

IMPORTANT INFORMATION / DEFAULT PROVISIONS

The DRO should also address the following issues. If it does not, QDRO Consultants will review the DRO as if it includes the default provision identified below for that issue. If the DRO contains directions that are not clear or that conflict with the instructions in this section, QDRO Consultants will not apply the default provision, but instead will reject the DRO.

Interest Credits: The DRO should specify whether the Alternate Payee is entitled to any "interest credits" attributable to the portion of the Participant's cash balance account that is assigned to the Alternate Payee. If the DRO is silent on this matter, the Alternate Payee is entitled to such interest credits from the date of assignment in the DRO to the date the Alternate Payee commences benefits. See the Plan's Summary Plan Description for more information about interest credits.

BENEFIT ASSIGNMENT LANGUAGE

The Plan is a "cash balance" defined benefit plan, which contains a Cash Balance Benefit formula as opposed to a Traditional Pension Benefit formula. The biggest difference in the two formulas is how a Participant's benefit is expressed at any point in time, and how that benefit is used to calculate the amount of benefit payments a Participant will receive at retirement. A QDRO must take into account these differences and use appropriate assignment language, as discussed below.

Traditional Pension Benefit Formula: A Traditional Pension Benefit formula usually is used to calculate a monthly annuity payment amount that a Participant would receive for life, beginning at the Participant's normal retirement age, based on a percentage of the Participant's number of years of service and average salary at a specified point in time. For example, if a Participant's annuity amount is $500 under this formula at age 50, the Participant knows that he has earned the right to receive $500/month for life beginning at normal retirement age, but the Participant may not know the present lump sum value at age 50 of that future annuity. Of course, the Participant's annuity amount will increase with additional years of service and/or a higher average salary. Also, if the Participant elects a form of payment other than the Plan's default life annuity, or begins to receive payments at an age other than normal retirement age, the Plan will actuarially adjust the annuity payment amount.

Cash Balance Benefit Formula: A Cash Balance Benefit formula is used to calculate the annual hypothetical dollar amount that is allocated to a Participant's cash balance account for each year of service, usually based on a percentage of that year's salary. A Participant can also earn "interest credits" on the account balance at a rate defined in the Plan. A Participant's cash balance account has a lump sum dollar value, kind of like the account balance in a 401(k) plan, equal to the sum of the hypothetical annual allocations and interest credits. However, the Plan's default payment method is the same as any other defined benefit plan – a lifetime annuity. If a Participant elects to receive payments in the form of an annuity, the Plan will use actuarial assumptions to convert the Participant's account balance into an annuity amount. For example, if a Participant's account balance is $100,000 at age 50, the Participant knows the present lump sum value at age 50 of his future annuity (or other form of payment permitted by the Plan), but the Participant may not know the annuity amount into which that converts until the Plan applies the actuarial assumptions.

Assigning Cash Balance Benefits: To assign a portion of a Participant's benefits to an Alternate Payee, a DRO must assign either a percentage or flat dollar amount of the Participant's account balance as of a specified date.

DEATH OF PARTICIPANT OR ALTERNATE PAYEE

The procedures in this section will automatically apply to the DRO once it is approved and, although the model QDRO language below contains these procedures, the DRO does not need to include them. If the DRO contains directions with respect to these issues, and if such directions are not clear or conflict with these procedures, QDRO Consultants will reject the DRO.

Alternate Payee's Death Before His/Her Payments Begin: If the Alternate Payee dies before he/she begins to receive benefit payments, and if the Plan provides a death benefit with respect to the Alternate Payee's assigned benefit, such death benefit shall be paid to the Alternate Payee's beneficiary(ies). The Alternate Payee's beneficiary(ies) shall be, in order, (1) the beneficiary(ies) that the Alternate Payee designates in accordance with the Plan's procedures and forms, (2) determined under the Plan's default beneficiary provisions, or (3) the Alternate Payee's estate.

Please Note – The DRO may not direct the Plan to treat a successor individual as the Alternate Payee upon the Alternate Payee's death.

Alternate Payee's Death After His/Her Payments Begin: If the Alternate Payee dies after he/she begins to receive benefit payments, the Alternate Payee's remaining benefits, if any, shall be paid according to the distribution option he/she elected.

Participant's Death Before Alternate Payee's Payments Begin: If the Participant dies before the Alternate Payee begins to receive benefit payments, the Participant's death shall have no effect on the benefits assigned to the Alternate Payee.

Participant's Death After Alternate Payee's Payments Begin: If the Participant dies after the Alternate Payee begins to receive benefit payments, the Participant's death shall have no effect on the benefits assigned to the Alternate Payee.

DRO REVIEW AND APPEAL PROCESS

When you have prepared a DRO and you would like the Plan to enforce it, you must submit the DRO to QDRO Consultants for review. Please see the “CONTACT INFORMATION” section above for QDRO Consultants’ address, phone, and fax information. Consistent with these QDRO Procedures and as directed by the Plan Administrator, QDRO Consultants will determine whether an Executed DRO qualifies as a QDRO, or whether a draft DRO would qualify if it were executed.

The Plan Administrator will typically place a “hold” on the Participant’s benefit during the period of the review to protect benefits that may be assigned to the Alternate Payee, as described in the “BENEFIT HOLD / RESTRICTION” section below.

Review of Draft DROs: The Plan Administrator will enforce only an Executed DRO that qualifies as a QDRO. However, you may choose to submit a draft DRO to QDRO Consultants for review before having it executed. Addressing potential issues in the DRO before having it executed reduces the likelihood that you will need to submit multiple revised drafts to the court.

DRO IS REJECTED

If QDRO Consultants rejects a DRO, QDRO Consultants will promptly notify the Participant, Alternate Payee, and their attorneys and/or representatives in writing, including the specific reason(s) why the DRO failed to qualify.

Revise a Rejected DRO: Generally, interested parties will have an opportunity to revise a rejected DRO and to resubmit it to QDRO Consultants for another review and determination. However, there is a maximum period the Plan Administrator will “hold” a Participant’s benefit during the DRO review process, as described in the “BENEFIT HOLD / RESTRICTION” section below.

DRO IS APPROVED

If QDRO Consultants determines that a draft DRO would be a QDRO if it were executed, QDRO Consultants will promptly send a Pre-Approval Letter to those parties. If QDRO Consultants determines that an Executed DRO is a QDRO, QDRO Consultants will promptly send an Approval Letter to the Participant, Alternate Payee, and their attorneys and/or representatives.

APPEAL AN APPROVED DRO

Either party may appeal an approved Executed DRO. However, these appeal provisions do not apply to an approved draft DRO.

30 Day Appeal Period: The appeal must be in writing, fully explain the issue(s) in dispute, and be received by QDRO Consultants within 30 days of the date on the Approval Letter. If neither party timely appeals, the Plan Administrator will administer the QDRO as provided in the Approval Letter.

Waiver of Appeal Period: Generally, the parties will not be permitted to receive their benefits during the 30 day appeal period. If the parties want to expedite the payment of their benefits, they may waive their appeal rights if both parties complete and return to QDRO Consultants the waiver form that is included with the Approval Letter. Keep in mind that, regardless of any such waiver, the Participant and Alternate Payee cannot begin to receive benefit payments until the Participant is otherwise eligible under the Plan's provisions.

90 Day Extension in the Event of an Appeal: If either party timely appeals the QDRO, the party will have 90 days (from the date that QDRO Consultants sends a letter acknowledging the appeal) to submit, and to have QDRO Consultants approve, an amended Executed DRO. The Plan Administrator, in its sole discretion, may extend the 90 day period by giving written direction to QDRO Consultants of such additional period. If the party does not submit, or if QDRO Consultants does not approve, an amended Executed DRO by the end of the applicable extension period, the Plan Administrator will administer the originally approved QDRO according to its terms and the Approval Letter. Generally, the parties will not be permitted to receive their benefits during the extension period.

BENEFIT HOLD / RESTRICTION

The Plan Administrator will place a "hold" on the Participant's Plan benefit during the DRO review process, as well as upon certain other triggering events. The hold will protect benefits that may be assigned to an Alternate Payee by preventing the Participant from electing a distribution option and from receiving any benefit payments from the Plan.

PLACING A BENEFIT HOLD

QDRO Consultants will direct the Plan's recordkeeper to place a hold on a Participant's Plan benefit as soon as administratively feasible after receiving any of the following:

- Draft DRO;
- Executed DRO;
- Other court order that attempts to place a hold on, or assign part of, a Participant's Plan benefit (e.g., temporary restraining order, income withholding order, etc.);
- Joinder or other similar court document that attempts to join the Plan as a party to a domestic relations proceeding;
- Letter of adverse interest or other written notice from a potential Alternate Payee, or his/her attorney, that the Alternate Payee has an interest in the Participant's Plan benefit; or
- Plan Administrator's written direction to place a hold.

Divorce Decree – Generally, QDRO Consultants will not direct the recordkeeper to place a hold if it receives a divorce decree or similar court order. However, if a party requests QDRO Consultants to review the order to determine if it is a QDRO, QDRO Consultants will treat the order as an Executed DRO for benefit hold purposes.

Please Note – Simply requesting a copy of the Plan's QDRO Procedures or Model QDRO is not sufficient to place a hold on a Participant's Plan benefit.

LENGTH OF BENEFIT HOLD

Generally, a benefit hold will continue until it is removed by a subsequent action, as described in the subsection below. However, a benefit hold pursuant to a draft or Executed DRO will not extend beyond 18 months after the date the DRO (if approved) first permits the Alternate Payee to receive Plan benefits (assuming the DRO is approved).

REMOVING A BENEFIT HOLD

The requirements to remove a benefit hold may be different depending on the reason the hold was placed. Each paragraph in this subsection lists, in bold type, a document that can cause a hold to be placed, followed by the method(s) to remove a hold placed pursuant to that document.

Draft DRO / Letter of Adverse Interest: If a benefit hold was placed due to receiving a draft DRO, or a letter of adverse interest or similar written notice, QDRO Consultants will direct the Plan's recordkeeper to remove the hold upon receiving any of the following:

- Executed DRO (at which time an Executed DRO benefit hold will commence);
- Subsequent court order to remove the hold, or that clearly indicates the Alternate Payee has no interest in the Participant's Plan benefit;
- Plan Administrator's written direction to remove the hold; or
- Notarized letter from the Alternate Payee, or letter from his/her attorney, that requests the removal of the hold, and that names the Plan and the Participant.

Executed DRO: If a benefit hold was placed due to receiving an Executed DRO, QDRO Consultants will direct the Plan's recordkeeper to remove the hold (1) if it approves the DRO, after the expiration of any applicable appeal period, or (2) upon receiving any of the following:

- Subsequent Executed DRO that vacates or revises the prior Executed DRO (at which time a new Executed DRO benefit hold will commence);
- Subsequent court order that terminates the Alternate Payee's right to the Participant's Plan benefit, including an order to vacate the Executed DRO;
- Plan Administrator's written direction to remove the hold.

Other Court Order / Joinder: If a benefit hold was placed due to receiving a court order, other than a DRO, or a joinder or other similar court document, QDRO Consultants will direct the Plan's recordkeeper to remove the hold upon receiving any of the following:

- Executed DRO (at which time an Executed DRO benefit hold will commence);
- Subsequent court order to remove the hold, that vacates the court order or joinder that caused the hold, or that clearly indicates the Alternate Payee has no interest in the Participant's Plan benefit; or
- Plan Administrator's written direction to remove the hold.

Plan Administrator's Written Direction: If a benefit hold was placed due to receiving the Plan Administrator's written direction, QDRO Consultants will direct the Plan's recordkeeper to remove the hold only upon receiving the Plan Administrator's subsequent written direction to remove the hold.

EFFECT OF REMOVING HOLD / SUBSEQUENT DRO

Approved DRO Before Hold Removal: If QDRO Consultants approves an Executed DRO before a benefit hold is removed, the Participant and Alternate Payee will receive payments from the Plan pursuant to the Participant's elected form of payment and the form of payment established for the Alternate Payee in the QDRO.

No Approval Before Hold Removal: If QDRO Consultants does not approve an Executed DRO before a benefit hold is removed, the Participant will be permitted to elect to begin receiving benefit payments if he/she is otherwise eligible.

Approved DRO After Hold Removal: If QDRO Consultants approves an Executed DRO after a hold is removed, the Plan Administrator will apply the QDRO on a prospective basis only. The Plan Administrator will not apply the QDRO to benefit payments previously distributed.

MISCELLANEOUS

FAIR SPLIT OF PARTICIPANT'S BENEFITS

QDRO Consultants will not answer questions regarding whether a QDRO has fairly or equitably divided the Participant's benefits among the Participant and Alternate Payee. Instead, QDRO Consultants' role is limited to the technical requirements of DRO review and QDRO determination. It is the responsibility of the parties and/or their attorneys to determine what is fair and equitable, and to negotiate the QDRO's substantive provisions.

INCORRECT PAYMENTS

The Plan Administrator has the right to require the Participant and/or the Alternate Payee to return to the Plan any overpayment. An overpayment is any Plan payment (or portion of a payment) to a party that was not required by the Plan or a QDRO. If the overpayment should have been paid to the other party, the Plan will recover the overpayment from the overpaid party and, in turn, will pay that amount to the other party.

QDROs ISSUED AFTER DEATH

A DRO will not fail to qualify as a QDRO solely because it was submitted to the Plan Administrator after the death of the Participant or Alternate Payee. For example, if an attorney submits a draft DRO to be preapproved and the Participant or Alternate Payee dies before the DRO is signed by the court, the Plan Administrator would honor an Executed DRO submitted after the Participant's or Alternate Payee's death if it otherwise would qualify as a QDRO.

BEGIN ALTERNATE PAYEE'S BENEFIT PAYMENTS

If QDRO Consultants approves a DRO, and if the Alternate Payee is eligible to begin receiving his/her assigned benefits, the Alternate Payee must contact **Aon Hewitt** at 855-326-8167 to obtain the appropriate payment forms and instructions. Please remember that the Alternate Payee generally cannot request a Plan distribution prior to the end of the QDRO appeal period (as described in the "QDRO DETERMINATIONS AND APPEALS" section above).

QUALIFIED JOINT AND SURVIVOR ANNUITY (QJSA)

A Separate Interest QDRO typically does not award any portion of a QJSA survivor annuity to the Alternate Payee. If the DRO directs the Plan to require the Participant to elect a QJSA with the Alternate Payee as a surviving spouse, the Alternate Payee could receive double benefits. Please see the Plan's Summary Plan Description for more information about the QJSA form of payment.

BENEFIT REDUCTIONS

In limited circumstances, a Participant's Plan benefits may be reduced. For example, if the Plan is taken over by the Pension Benefit Guaranty Corporation (**PBGC**) due to the Plan's and/or the Plan sponsor's bankruptcy, the PBGC's guaranty may not cover all of a Participant's accrued benefit. If a Participant's Plan benefits are reduced for reasons other than the Participant's action or failure to act, the Plan Administrator will apply a pro rata share of such reduction to the Alternate Payee's assigned benefit.

FEDERAL TAXES

The Internal Revenue Code provides that an Alternate Payee, who is the Participant's spouse or former spouse, is responsible for all federal taxes on Plan distributions to the Alternate Payee. On the other hand, for distributions to an Alternate Payee who is the Participant's child or other dependent, the Participant is responsible for all such federal taxes. A QDRO may not change these rules of federal taxation and, as a result, a DRO does not need to identify which party is responsible. If a DRO does address federal taxes, QDRO Consultants will not reject the DRO even if it is inconsistent with federal tax law. However, the Plan Administrator will report distributions as required by law, regardless of any conflicting provisions in the QDRO.