

Summary Plan Description

Belk Pension Plan

This information is not intended to be a substitute for specific individualized tax, legal, or investment planning advice. Where specific advice is necessary or appropriate, you should consult with a qualified tax advisor, CPA, financial planner or investment manager.

Prepared July 1, 2017

Belk Pension Plan

Summary Plan Description

Effective January 1, 2017

1. This Booklet

Belk Stores Services, Inc. (the “Company”) is pleased to provide you with this Summary Plan Description (“SPD”) booklet that summarizes the terms of the Belk Pension Plan (“Plan”). This SPD is intended to meet your general information needs and the disclosure requirements under a federal law known as the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). It describes the key features of the Plan as amended and restated effective January 1, 2017 and supplements any previous SPDs for the Plan.

Please keep this SPD for future reference and share it with your family. You can find copies of this SPD and any future amendments at www.belkbenefits.com or request printed copies by contacting the Belk Benefits Center.

It is important to understand that the Plan document will govern the terms of the Plan in each and every case. If a conflict between this SPD booklet (which merely provides a summary of the Plan terms) and the Plan document arises, the Plan document will govern. Copies of the Plan document are available for a nominal charge and may be examined at your personnel representative’s office free of charge.

2. Plan History

Plan participation and benefit accruals (other than interest credits) were phased out over time, as described in the 2011 Plan SPD previously provided to you. The Plan was closed to new participants as of December 31, 2005. By January 1, 2009, benefit accruals for all participants remaining in the Plan had been suspended or “frozen.” Previously, the Plan had transitioned from a traditional pension benefit formula to a “cash balance” design. Under a cash balance design, the Plan maintains a hypothetical account for you, and your accrued benefit is expressed as an annual benefit in the form of a single life annuity that is actuarially equivalent to your hypothetical account balance projected to normal retirement age. Plan participants who have not commenced payments continue to receive annual interest credits to their hypothetical account balance. Effective January 1, 2017, the interest-crediting rate is 6.0% per year.

3. Definitions

The following capitalized terms are important to your understanding of the Plan and are used throughout this SPD.

(a) Average Earnings

Average Earnings for years of Benefit Service after 1988 and before 2009 (or such earlier date your accruals were frozen) is determined based on your average Earnings for 2002, 2003, and 2004, unless you began participation after January 1, 2002, in which case your Average Earnings is based on your first three years of participation. The Average Earnings for a Participant who began participating in the Plan before 1987 is described in the prior SPD covering such period.

(b) Benefit Service

You receive a year of Benefit Service for each calendar year in which you complete at least 1,000 Hours of Service (as defined below). For this purpose, your Hours of Service start when you become a participant and end no later than the date your Plan benefit accruals were frozen (either the end of 2005, 2006, 2007 or 2008, as applicable).

(c) Earnings

Your Earnings are the annual pay or compensation you receive from the Company or its affiliates as reported on your W-2 form for federal income taxes, including any pre-tax savings under the Belk 401(k) Savings Plan or salary reductions under a Code Section 125 plan. Your Earnings do not include any taxable fringe benefits reported on your W-2 form and are capped at a maximum limit set by the IRS each year for tax-qualified retirement plan purposes.

(d) Hour of Service

An Hour of Service is each hour you actually work or each hour for which you are entitled to be paid, such as overtime hours actually worked, vacations, holidays, illness, jury duty, severance pay, incapacity, or layoff. If the Company does not record your actual hours worked (based on your job position), you will receive 45 Hours of Service for each week in which you work at least one hour or receive any Earnings.

(e) Interest Credits

Your Plan account continues to be credited with interest until you retire (commence benefit payments) as of each December 31 at a pre-determined rate based on the balance as of January 1 of the same year. The interest rate was set at 6.5% for determining your accrual for 2005-2016, and at 6.0% for 2017 and later years.

(f) Vesting Service

You receive a year of Vesting Service for each calendar year in which you complete at least 1,000 Hours of Service (as defined above), beginning with the calendar year in which you are hired or rehired.

4. Benefit Commencement Dates

Plan benefits are payable as of the first day of the month following your retirement.

(a) Early Retirement

You can retire when you reach age 55 with at least five years of Vesting Service. You will receive a reduced amount based on the benefit you have earned as of your early retirement date, because you will have accumulated fewer years of interest credits to your hypothetical account balance, and any life annuity benefit payments are expected to be made over a longer period of time than if they had started on your normal retirement date.

(b) Normal Retirement

Normal retirement is at age 65 or the fifth anniversary of your participation in the Plan, whichever is later. You may continue working until a later date, however, any benefit payments will be suspended until you retire.

(c) Delayed Retirement

If you continue working past age 65, your delayed retirement date will be the last day of the month during which you actually retire.

(d) Termination

If you terminate employment before your retirement and you are vested, you will receive a deferred vested benefit starting at normal retirement, unless the lump sum value of your benefit is \$5,000 or less (in which case you will receive an immediate lump sum payment of your benefit). Reduced benefits are available as early as age 55.

(e) Payment After You Become Age 70½

Payment of your Plan benefit is required to begin by the later of your date of retirement or the April 1 following the year you reach age 70½.

5. Your Service is Important

Your Benefit Service is used to determine the amount of your Plan benefit at retirement and your Vesting Service is used to determine when you have earned a non-forfeitable right (or become vested) in that benefit.

You are 100% vested when:

- ✓ you have completed three or more years of Vesting Service (effective January 1, 2008),
or
- ✓ you reach normal retirement.

If you terminate your employment before you are vested and you do not return to work with the Company, you will not receive any benefits from the Plan. If you terminate your employment before you are vested and are rehired by the Company, under certain Plan rules, you may get credit for your pre-termination years of Vesting Service when you return to work.

(a) Service Counting Rules

When determining your years of service, the following rules apply:

- ✓ You keep credit for Vesting Service, if any, before January 1, 1976 and Benefit Service, if any, before January 1, 1989 in accordance with applicable prior Plan documents.
- ✓ Former employees of Mercantile who became employees of Belk on September 23, 1998 due to the acquisition of certain Mercantile stores will receive credit for their prior service with Mercantile solely for purposes of vesting and eligibility.
- ✓ Service with the Armed Forces of the United States will count as service with Belk if you leave full-time employment with Belk to serve, and if you return to work within the period set by law.

(b) Break in Service

A break in service is any calendar year in which you complete less than 500 Hours of Service. However, you may receive credit for Hours of Service for an approved leave of absence to avoid a break in service. If you are absent from work because of pregnancy, birth of your child, adoption of a child, or caring for your child during the period immediately after birth or adoption, you can be credited with up to 500 Hours of Service so that you can

avoid a break in service for this period. The hours will be credited in the year your leave begins if you need them to avoid a break in service for that year. Otherwise, they will be credited in the next year to avoid a break in service for that year. These hours will be credited in only one year, though, and they will not count in determining your Benefit Service.

Your years of Benefit Service completed before a break in service will not count if:

- ✓ You were not vested at the time of your break, and
- ✓ The number of your consecutive one-year breaks in service equals five or more.

Example: If you terminate your employment in 2017 or later before completing three years of Vesting Service, you do not have a vested benefit. Because you are not vested at termination, if you return after a five-year break in service, you will not receive credit for that prior service since your consecutive one-year breaks in service are at least five.

After becoming a participant, if you terminate and then return to work after you have less than a five-year break in service, the Plan will bridge your Vesting Service. If you terminate employment and then return to work after December 31, 2005, you will be eligible to receive Vesting Service but will receive no additional Benefit Service because the Plan is frozen.

6. Benefit Formula

A variety of benefit payment methods beginning at retirement are offered, based on a formula that takes into account your Benefit Service and Average Earnings with the Company.

Participants who retire on or after January 1, 2011, receive a monthly Plan benefit payable as a Single Life Annuity in an amount equal to the sum of their accrued benefit determined as of December 31, 2004, plus their "Future Service Benefit" for 2005 and later years, divided by 12.

Your December 31, 2004 accrued benefit will include:

- ⇒ a "Past Service Benefit" if you were a participant in the Plan before 1989; and/or
- ⇒ a "Basic and Supplemental Benefit" if you were a participant in the Plan before 2005.

For more information on these older Plan benefit formulas, refer to your prior SPD booklets titled "A Guide to Your Benefits" (May, 1991) and Belk Choice Benefits Book (July 2003), or call the Belk Benefits Center at 1-800-588-3700.

Your Future Service Benefit is derived from a hypothetical account balance representing an accumulation of level Company contributions and Interest Credits for each year after 2004 in which you are a participant in the Plan, through the date on which your Plan accrued benefit was frozen (either the end of 2005, 2006, 2007 or 2008, as applicable), plus allocations of ongoing Interest Credits generally through the end of the year before your retirement. However, you will receive an Interest Credit for the year in which you retire if your benefit commencement date is on or after July 1 or if you have completed at least 1,000 Hours of Service in that year.

The formula for the Company contribution part of your Future Service Benefit is:

- (i) For each of your first 20 years of Benefit Service, an amount equal to 0.4% of Average Earnings, plus 0.4% of Average Earnings in excess of \$20,000; and
- (ii) For each of your next 25 years of Benefit Service, an amount equal to 0.525% of Average Earnings, plus 0.525% of Average Earnings in excess of \$20,000.

7. How Your Benefit is Paid

Before you retire, you choose the method of payment for your benefit. The Plan Administrator will provide you with more detailed information about the methods of payment and the amount you would receive under each method. This information will include a comparison of the relative value of each method of payment. These values will depend on average life expectancies and other actuarial assumptions. The amount of the payment you receive may differ according to the method of payment you choose and your actual longevity. The chart on the next page generally describes all methods of payment available under the Plan.

(a) Normal Methods of Payment

At your normal, early or delayed retirement date, unless you choose another method of payment (as explained in the next section), your benefit will be paid in the following way:

- ⇒ If you are not married when your benefit payments begin, your benefit will be paid as a Single Life Annuity. This annuity provides you with a monthly benefit for your lifetime. No further benefits are payable after your death.
- ⇒ If you are married when your benefit payments begin, your benefit will automatically be paid as a Joint and 50% Survivor Annuity with your surviving spouse as your beneficiary. This annuity provides you with a monthly benefit for your lifetime. If you die and your spouse is living, your surviving spouse receives one-half of your monthly benefit during his or her lifetime.

(b) Optional Methods of Payment

Within a reasonable period of time before you retire, the Plan Administrator will provide you with a written explanation of the terms and conditions of the normal method of payment, including your right to waive this annuity, spousal consent requirements and the restrictions on revoking a prior payment election.

If you want to choose a different method of payment, you must do so in writing and your spouse must consent in writing to your choice. If you want to name another beneficiary, you must also obtain your spouse's written consent.

Your election and your spouse's consent must be given within the 180-day period before benefit payments begin. Your spouse's consent must be in writing, witnessed by a notary public or a Plan representative, and your election and your spouse's consent must be made on a form provided by the Plan for this purpose and timely returned to the Belk Benefits Center. Your spouse's consent will relate to the specific method of payment and/or the named beneficiary.

If you fail to make an election, or if you elect not to receive the normal method of payment and fail to choose an optional method, you will receive a Joint and 50% Survivor Annuity if you are married, or a Single Life Annuity if you are not married.

Plan Methods of Payment		
Method	You Receive	After You Die Your Spouse/ Beneficiary Receives
Lump Sum (only if \$25,000 or less and benefit commencement on or after April 1, 2015)	One lump sum payment	None
15 Years Certain	180 monthly payments	Monthly benefit until the end of the 180 months.
Single Life Annuity	Monthly benefit for your lifetime	None
5 Year Certain and Life Annuity	Monthly benefit for 5 years (60 months) and then for your lifetime	Monthly benefits until the end of the 5-year (60 month) period
Joint and 100% Survivor Annuity	Reduced monthly benefit for your lifetime	100% of your monthly benefit for as long as your surviving spouse/beneficiary lives
Joint and 75% Survivor Annuity	Reduced monthly benefit for your lifetime	75% of your monthly benefit for as long as your surviving spouse/beneficiary lives
Joint and 66 2/3% Survivor Annuity	Reduced monthly benefit for your lifetime	66-2/3% of your monthly benefit for as long as your surviving spouse/beneficiary lives
Joint and 50% Survivor Annuity	Reduced monthly benefit for your lifetime	50% of your monthly benefit for as long as your surviving spouse/beneficiary lives

NOTE: Under the Joint and Survivor annuities, payments will not begin to your surviving spouse/designated beneficiary until after your death. The Joint and 75% Survivor Annuity is the qualified optional survivor annuity under the Plan. Also, if the total lump sum value of your vested benefit is \$5,000 or less, your benefit will automatically be paid in one lump sum payment after you terminate and no other methods of payment are available to you. Further, if certain funding based restrictions required by law apply to the Plan, you will not be eligible for a lump sum payment or other prohibited forms of payment.

(c) If You Terminate Employment

If you terminate your employment, have a vested accrued benefit, and the lump sum value of your benefit is more than \$5,000, your benefit payment will begin when you are eligible for and elect to take early retirement or at your normal retirement date, whichever you choose. If you choose early retirement, you must make the election in writing before benefit payments are scheduled to begin. You cannot change your election after payments begin.

(d) Reemployment After Benefit Payments Begin

Effective June 1, 2008, after you retire and begin receiving benefit payments, if you decide to return to work for Belk, you will continue to receive your monthly pension payments regardless of the total number of hours you work in any calendar month. You will not earn additional Benefit Service while you are reemployed.

8. Survivor Benefits

If you die before retirement and you are vested, your surviving spouse or named beneficiary will receive a benefit from the Plan. If you are married, your surviving spouse will automatically be your beneficiary unless your spouse consents to your naming another beneficiary in accordance with Plan rules. The naming of the beneficiary (with your spouse's consent, if applicable) must be in writing on a form Belk has provided for this purpose, witnessed by a notary public or a Plan representative and timely returned to the Belk Benefits Center.

(a) If You Die While You're Still Employed

If you die while you are still employed and you are 100% vested, your beneficiary will receive a survivor benefit. If you are married, your surviving spouse will be your beneficiary. With your spouse's written consent on a form provided by the Plan for this purpose, you may elect to have all or a part of your pre-retirement death benefit payable to one or more designated beneficiaries. These benefits are automatic and require no election on your part. Your spouse or beneficiary may choose one of the following methods of payment:

- ✓ Fifteen Years Certain Annuity;
- ✓ Five Years Certain and Life Annuity;
- ✓ Single Life Annuity; or
- ✓ Lump Sum.

The survivor benefit will be computed in the same manner as if you terminated your employment on your date of death. The full actuarial value of your benefit will be paid to your spouse or beneficiary. If your spouse or beneficiary selects the Five Years Certain and Life Annuity or the Single Life Annuity method of payment, then the age of your spouse or beneficiary will be used when computing the monthly benefit amount. Your spouse or beneficiary must elect to start annuity payments no later than the date you would have attained Early Retirement eligibility. If your spouse or beneficiary selects the Five Years Certain and Life Annuity or the Fifteen Years Certain Annuity and dies before receiving the "guaranteed" portion of the benefit, any remaining payments due to the spouse or beneficiary at death will be paid in a lump sum payment to his or her estate.

(b) If You Die After Terminating Employment But Before Payments Begin

Your spouse, or beneficiary if you're not married, will be entitled to a survivor benefit. The same payment rules that apply to death before termination of employment also apply to death after termination of employment. Your hypothetical account balance at your termination date will be increased at the rate of 6.5% (or 6.0% effective January 1, 2017) annually up to your beneficiary's benefit commencement date.

(c) If You Die After Payments Begin

If you die after your benefits begin, payments will be made according to the method of payment you selected.

9. Claims Procedure

(a) Filing a Claim

If you (or your beneficiary) feel you are entitled to benefits from the Plan that you are not receiving, you may file a written claim with the Plan Administrator.

(b) Notification of Your Claim

You will receive a response to your claim from the Plan Administrator within 90 days after your claim is submitted. If there are special circumstances, more time may be required. If so, you will be contacted within the 90-day period if this is going to occur. This notice will explain why extra time is required and the date you can expect a decision. The notice will tell you if any additional information is needed to address any unresolved issues. If the Plan Administrator does not notify you within the designated time period, your claim will be considered to have been denied.

(c) Claim Denial

If all or part of your claim is denied, you will receive written notification explaining the reasons for the denial, a reference to the specific Plan provisions on which the denial is based, a description of any additional information or material necessary to correct your claim, an explanation of why the information is necessary and appropriate, a statement that you are entitled upon request to receive a copy of the documents, records and other information relevant to your claim, and information about the Plan's claims review procedures and your right to bring a civil action under ERISA under certain circumstances.

(d) Appealing a Denied Claim

If any claim for benefits under the Plan is denied and you wish to appeal, you must file your appeal with the Plan Administrator within 60 days after you receive the denial. Your appeal should include any additional information that you wish to be considered. The Plan Administrator will notify you in writing within 60 days after your appeal is received. If there are special circumstances, more time may be necessary to review your appeal. You may be asked to wait another 60 days for a decision. The decision will be communicated to you in writing. The decision will give the specific reasons for the denial, a reference to the specific Plan provisions on which the denial is based, a statement that you are entitled upon request to receive a copy of the documents, records and other information relevant to your claim, and information about any voluntary review procedures and your right to obtain copies, and a statement that there is no further administrative review of the decision and your right to bring a civil action under ERISA. If you do not receive a written response from the Plan Administrator within the designated time period, your claim will be considered to have been

denied. If you are dissatisfied with the Plan Administrator's decision after you have pursued these steps, you have the right to file a lawsuit in a state or federal court.

10. Miscellaneous

(a) Top-Heavy Rules

The Internal Revenue Service has established special rules for "top-heavy" benefit plans. A plan is considered "top-heavy" when a certain percentage of the plan's total benefits has accumulated for officers, owners, highly paid associates or substantial stockholders. If this Plan becomes top-heavy, you will be given a supplement to this SPD to explain these rules in more detail.

(b) Maximum Benefits

There is a maximum amount of benefits you can earn under the Plan. Federal law imposes this limit.

(c) Taxation and Direct Rollovers

Your monthly benefit payments are taxable in the year you receive them.

If you receive a lump sum payment from the Plan, the payment is subject to a mandatory 20% federal income tax withholding. However, you can elect to have all or any portion of your payment paid in a tax-free direct rollover to another employer's plan, to your individual retirement account or individual retirement annuity, or to a plan that is maintained by a state or political subdivision of a state or to certain other plans permitted by law. Further, your beneficiary (including your surviving spouse) or your former spouse designated under a qualified domestic relations order may elect at the time and in the manner prescribed by the Plan Administrator to have any portion of his or her lump sum distribution paid in a tax-free rollover to an individual retirement account established for the purpose of receiving such distribution on his or her behalf. Any amounts that are rolled over are not subject to the mandatory tax withholding upon distribution from the Plan but will be included in income when later distributed from the rollover account.

Please note that if the total lump sum payment is between \$1,000 and \$5,000, your benefit will be automatically rolled over to a safe harbor IRA unless you elect to have the amount (less tax withholding) paid directly to you or have timely designated the IRA of your choosing for a rollover. Lump sum values of less than \$1,000 will be paid (less tax withholding) to you directly unless you make a rollover election. The payment will be made as soon as administratively feasible.

When you receive a payment from the Plan, the Plan Administrator will provide you with a more detailed explanation of methods of taxation. You may want to consult a tax advisor about the best alternative for you.

(d) Assignment of Rights

You cannot assign the benefits you have earned under the Plan to pay a debt or to satisfy claims of bankruptcy or creditors. However, your benefits can be paid to a spouse, former spouse, child, or other dependent if a court issues a qualified domestic relations order requiring it.

(e) Changes/Amendments to the Plan

The Company has the right to amend or change any of the provisions of the Plan for any reason, including to conform to government requirements and other policies. If the Plan is changed, amendments may not cause any part of the trust fund to be used for purposes other than the exclusive benefit of participants and beneficiaries.

(f) Merger or Consolidation

If the Plan is partially or completely merged, consolidated with or transferred to another plan, your benefit will not be less than the amount you would have received if the Plan had been terminated at the time of the merger, consolidation, or transfer.

(g) Plan Termination

The Company has the right to completely terminate or partially terminate this Plan. If the Plan is terminated, you automatically become fully vested in your accrued benefit to the extent funded, subject to any limitations in the Plan.

If the Plan is terminated, the funds of the trust will be allocated in the order required by federal law.

Any funds remaining in the trust (due to differences in actual experience and expected actuarial experience) after all benefits have been paid to participants will be returned to the Company.

(h) The Pension Benefit Guaranty Corporation (PBGC)

Your 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 all 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) vested normal and early retirement benefits and (2) 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 your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street NW, Suite 930, Washington DC 20005-4026 or call 202-326-4000 (not a toll free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

(i) Qualified Domestic Relations Order

Your account may be divided in compliance with a Qualified Domestic Relations Order (QDRO). A QDRO is a legal judgment, decree, or order that recognizes the rights of another person under the Plan. The rights in your account may concern support for a child or other dependents, alimony, or marital property rights.

A QDRO must meet specific legal requirements and be recognized by the Plan Administrator. In addition, certain procedures govern the amount and timing of benefits. You may receive a copy of the procedures free of charge by calling the Belk Benefits Center at 1-800-588-3700. If you have any questions regarding a QDRO, contact the Plan Administrator.

(j) Social Security

Another important part of your retirement income is Social Security. The cost for providing your Social Security benefit is shared equally by you and the Company through payroll taxes. Your Social Security retirement benefits are in addition to the benefits provided by the Company under this Plan and the Belk 401(k) Savings Plan. Social Security benefits are not automatically payable; you must apply for them.

If you have any questions about your Social Security Benefits, you should call the Social Security Administration at **1-800-772-1213**. If you are hearing or speech impaired, you may call the toll free number at 1-800-325-0778. Information is also available at <http://www.ssa.gov>.

11. Other Administrative Information

Important administrative and legal information about the Plan is described below and this information includes your rights under federal law. Please read this section carefully to better understand your rights and responsibilities as a participant in the Plan.

(a) Your Rights Under ERISA

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

- ✓ examine, without charge, at the Belk Benefits Center, Charlotte, North Carolina, all Plan documents, including insurance contracts and copies of all documents filed by the Plan with the U. S. Department of Labor, such as detailed annual reports and Plan descriptions;

- ✓ obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator, who may charge a reasonable price for the copies; and
- ✓ 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 for the Plan.

You may request, in writing, not more than once each year, a statement telling you whether you have a vested right to receive a pension plan benefit at normal retirement age, and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a vested right to a benefit, the statement will tell how many more years you must work in order to have a vested right to a benefit. This statement is free of charge.

In addition to creating rights for Plan participants, ERISA imposes obligations upon the persons who are responsible for operating the Plan. Such persons are called "fiduciaries" and they have a duty to manage the Plan prudently and in the interest of all Plan participants and beneficiaries.

No one, including your employer, may fire you or discriminate against you merely to prevent you from obtaining any benefit under the Plan or for exercising your rights under ERISA. If your claim for benefits is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have your claim reviewed and reconsidered.

Under ERISA, there are steps you can take to enforce your rights. For instance, if you ask for materials about the Plan and do not receive them within 30 days, you may file suit in a federal court.

In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$100 a day until you receive the materials, unless the materials were not provided for 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 a suit in a state or federal court. If the Plan fiduciaries fail to carry out their duties properly, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court.

The court will decide who will pay the 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, if, for example, it finds your claim is frivolous.

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 area office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Ave., N.W., Washington, D.C. 20210.

(b) Address Changes

Your current address is needed to ensure you will receive benefits related mailings at your home on a timely basis. You should notify your human resource or payroll office in writing of any change of address so benefit payments or information can be sent to you, your spouse, or other beneficiary. This is especially true if payments are to be postponed until a later date.

(c) Plan Document

The summary plan description of the Plan contained in this booklet is designed to cover the major provisions of the Plan. The summary plan description is based on a formal Plan document. If there is any discrepancy between the information in this booklet and the appropriate Plan document, or in case of any dispute concerning Plan provisions, the Plan document will serve as the final and conclusive authority.

(d) Employment

Neither this benefits booklet nor the Plan it describes create any contractual employment rights, and should not under any circumstances be considered to imply the existence of such rights. You are employable at will. This means you are free to resign at any time, and your employer is free to terminate your employment at any time. Participation in the Plan does not grant a right to be employed, nor does it give you the right to claim any benefit not covered by the Plan document.

(e) Other Required Plan Information

Company contributions the Plan are invested in a trust fund. These contributions and any investment income are used to operate the Plan and to pay benefits. The amount the Company contributes each year is based on a report by the Plan actuary. An actuary is a mathematician who projects the cost of future benefits based on the investment growth of the Plan, the life expectancies of participants, and requirements of federal law. The Company, acting through its Chief Human Resources Officer (or his or her delegate), has complete discretionary authority to administer the Plan, interpret its provisions, resolve all interpretive and other questions that arise under the Plan and maintain all records. There is a committee of Company executives that is responsible for investment of Plan assets in the trust fund. The committee has the authority to retain investment managers to invest the Plan assets.

Plan Name: Belk Pension Plan

Plan Sponsor: Belk Stores Services, Inc.

You may obtain a complete list of the Company's affiliates that participate in the Plan upon written request to the Company, and/or you may examine this list at the Company's headquarters.

Plan Administrator:

Belk Stores Services, Inc.
2801 West Tyvola Road
Charlotte, N.C. 28217
704-357-1000

Agent for Service of Legal Process:

General Counsel
Belk, Inc.
2801 West Tyvola Road
Charlotte, N.C. 28217

Employer Identification Number: 56-0616731

Plan Number: 334

Type of Plan: Defined Benefit Pension Plan

Plan Year: Calendar Year (January 1 – December 31)

Administration: Trust Fund

Trustee:

State Street Global Services
Specialized Trust Services
801 Pennsylvania Ave.
Kansas City, MO 64105

