

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 01/01/1973
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) CHARLES COLE MEMORIAL HOSPITAL 1001 E. SECOND STREET COUDERSPORT, PA 16915 U.S. ROUTE 6 EAST COUDERSPORT, PA 16915	2b Employer Identification Number (EIN) 24-0802108 2c Sponsor's telephone number 814-274-9300 2d Business code (see instructions) 622000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2010	J. T. NOE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2010	J. T. NOE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") CHARLES COLE MEMORIAL HOSPITAL 1001 E. SECOND STREET COUDERSPORT, PA 16915	3b Administrator's EIN 24-0802108 3c Administrator's telephone number 814-274-9300
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	648
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	262
b Retired or separated participants receiving benefits.....	6b	170
c Other retired or separated participants entitled to future benefits.....	6c	187
d Subtotal. Add lines 6a , 6b , and 6c	6d	619
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	16
f Total. Add lines 6d and 6e	6f	635
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	2

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1G 1I 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CHARLES COLE MEMORIAL HOSPITAL	D Employer Identification Number (EIN) 24-0802108
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month 01 Day 01 Year 2009	
2 Assets:	
a Market value	2a 12108926
b Actuarial value	2b 13319818
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 163 6025207
b For terminated vested participants	3b 195 3369013
c For active participants:	
(1) Non-vested benefits	3c(1) 41507
(2) Vested benefits	3c(2) 5205719
(3) Total active	3c(3) 290 5247226
d Total	3d 648 14641446
4 If the plan is at-risk, check the box and complete items (a) and (b)	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 8.10 %
6 Target normal cost	6 140000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		10/13/2010
JULIA H. PAGE	Signature of actuary	Date
TOWERS WATSON, PENNSYLVANIA INC.	Type or print name of actuary	08-04915
255 EAST FIFTH STREET SUITE 2120 CINCINNATI, OH 45202-4721	Firm name	Most recent enrollment number
	Address of the firm	513-345-4200
		Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8).....	0	0
10 Interest on item 9 using prior year's actual return of <u>0.00</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		11
b Interest on (a) using prior year's effective rate of <u>6.16</u> %		1
c Total available at beginning of current plan year to add to prefunding balance		12
d Portion of (c) to be added to prefunding balance.....		0
12 Reduction in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III Funding percentages		
14 Funding target attainment percentage.....	14	90.97 %
15 Adjusted funding target attainment percentage.....	15	90.97 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	88.42 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	87874				
07/14/2009	87874				
10/15/2009	87874				
01/14/2010	87874				
09/10/2010	90395				
			Totals ►	18(b)	441891
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	413234
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	140000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	1321628	273114
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	413114
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	413114
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	413234
38 Interest-adjusted excess contributions for current year (see instructions).....	38	120
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

<div>A</div> <div>Name of plan</div> <div>RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL</div>	<div>B</div> <div>Three-digit plan number (PN)</div> <div>▶</div> <div>001</div>
<div>C</div> <div>Plan sponsor's name as shown on line 2a of Form 5500</div> <div>CHARLES COLE MEMORIAL HOSPITAL</div>	<div>D</div> <div>Employer Identification Number (EIN)</div> <div>24-0802108</div>

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1

Information on Persons Receiving Only Eligible Indirect Compensation

a

Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....

☐ Yes

☒ No

b

If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b)

Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b)

Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

TOWERS PERRIN

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	ACTUARY	63777	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

FSC SECURITIES

58-1288674

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	BROKER	36770	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

CITIZENS & NORTHERN BANK

24-0756925

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	TRUSTEE	8532	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	ANGELA L. BUSH	b EIN:	13-3954297
c Position:	ENROLLED ACTUARY		
d Address:	500 GRANT STREET SUITE 2900 PITTSBURGH, PA 15219	e Telephone:	412-281-2506
Explanation:		CHARLES COLE MEMORIAL HOSPITAL CHOSE A NEW PROVIDER FOR ACTUARIAL SERVICES.	

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	
Explanation:			

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	
Explanation:			

a Name:		b EIN;	
c Position:			
d Address:		e Telephone:	
Explanation:			

a Name:		b EIN;	
c Position:			
d Address:		e Telephone:	
Explanation:			

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 CHARLES COLE MEMORIAL HOSPITAL	D Employer Identification Number (EIN) 24-0802108	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	105828	178269
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	9784	4576
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	654201	250803
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	3963887	5920196
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	7376176	8952127
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	12109876	15305971

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		124
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	124

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	12109876	15305847
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	441891	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		441891
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	69473	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		69473
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	385325	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		385325
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	3195253	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		3195253
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		4091942

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	741873	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		741873
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	64111	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	53046	
(4) Other	2i(4)	36941	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		154098
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		895971

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		3195971
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BKD, LLP

(2) EIN: 44-0160260

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHARLES COLE MEMORIAL HOSPITAL</u>	D Employer Identification Number (EIN) <u>24-0802108</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<u>1</u>	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>25-1644655</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	<u>3</u>	<u>5</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	<u>6a</u>		
b Enter the amount contributed by the employer to the plan for this plan year	<u>6b</u>		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	<u>6c</u>		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**

EIN 24-0802108 PN 001

Accountants' Report and Financial Statements

December 31, 2009 and 2008

**Retirement Plan for Employees of
Charles Cole Memorial Hospital
December 31, 2009 and 2008**

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Independent Accountants' Report

Board of Directors
Retirement Plan for Employees of
Charles Cole Memorial Hospital
Coudersport, Pennsylvania

We have audited the accompanying statements of net assets available for benefits of Retirement Plan for Employees of Charles Cole Memorial Hospital as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of Retirement Plan for Employees of Charles Cole Memorial Hospital as of December 31, 2009 and 2008, and the changes in its financial status for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying supplemental schedule is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Springfield, Missouri
October 8, 2010

BKD, LLP

Federal Employer Identification Number: 44-0160260

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**
Statements of Net Assets Available for Benefits
December 31, 2009 and 2008

Assets

	<u>2009</u>	<u>2008</u>
Investments, At Fair Value		
Mutual funds	\$ 8,952,127	\$ 7,376,176
Equity securities	5,920,196	3,963,887
Money market mutual funds	<u>176,620</u>	<u>598,756</u>
	<u>15,048,943</u>	<u>11,938,819</u>
 Receivables		
Employer's contribution	178,269	105,828
Accrued income	<u>4,576</u>	<u>9,784</u>
	<u>182,845</u>	<u>115,612</u>
 Cash	<u>74,183</u>	<u>55,445</u>

Liabilities

Due to Broker for Securities Purchased	<u>124</u>	<u>-</u>
 Net Assets Available for Benefits	<u><u>\$ 15,305,847</u></u>	<u><u>\$ 12,109,876</u></u>

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Investment Income (Loss)		
Net appreciation (depreciation) in fair value of investments	\$ 3,195,253	\$ (4,171,513)
Interest income	69,473	334,835
Dividend income	<u>385,325</u>	<u>406,806</u>
Net investment income (loss)	3,650,051	(3,429,872)
Employer Contributions	<u>441,891</u>	<u>366,729</u>
Net additions	<u>4,091,942</u>	<u>(3,063,143)</u>
Deductions		
Benefits paid directly to participants	741,873	727,477
Administrative expenses	<u>154,098</u>	<u>144,364</u>
Total deductions	<u>895,971</u>	<u>871,841</u>
Net Increase (Decrease)	3,195,971	(3,934,984)
Net Assets Available for Benefits, Beginning of Year	<u>12,109,876</u>	<u>16,044,860</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ 15,305,847</u></u>	<u><u>\$ 12,109,876</u></u>

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2009 and 2008

Note 1: Description of the Plan

The following description of Retirement Plan for Employees of Charles Cole Memorial Hospital (Plan) provides only general information. Additional information about the vesting and benefit provisions and the Pension Benefit Guarantee Corporation's (PBGC) benefit guarantee is contained in the plan document and *Summary Plan Description*, which are available from the plan administrator.

General

The Plan is a noncontributory defined benefit plan that covers substantially all employees of Charles Cole Memorial Hospital (Plan Sponsor) and related entities and provides for retirement, death and disability benefits. The Plan is subject to provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan Sponsor determined that the Plan's formula for benefit accruals was to be frozen as of December 31, 2002, for all employees so that no employee shall become a participant in the Plan after such date. For all eligible employees, the Plan Sponsor adopted two new defined contribution plans as of January 1, 2003.

Contributions

The Plan Sponsor has agreed to voluntarily contribute such additional amounts that are necessary to provide assets sufficient to meet the benefits to be paid to plan members. The Plan Sponsor's present intention is to make annual contributions in amounts as determined by the Board of Directors based on recommendations by the Plan's actuary. The Plan has met the minimum funding requirements established by the federal government.

Pension Benefits

Eligible participants in the Plan will receive a monthly retirement benefit equal to 1.25 percent of average monthly earnings multiplied by their credited service. Normal retirement age for plan benefits is the later of age 65 or the fifth anniversary of the participant's participation in the Plan. Participants may elect to receive reduced benefits upon early retirement when they reach the age of 55, provided that they have at least ten years of service with the Plan Sponsor.

Death Benefits

The spouse of a participant will receive a 50% survivor annuity, as defined in the Plan, upon the death of the participant. The surviving spouse annuity is equal to 50% of the participant's monthly benefit. This benefit is immediately payable to the spouse if the participant was already receiving benefits. If the participant was not already receiving benefits, payments to the spouse may commence as of the earliest date the participant would have received benefits.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements December 31, 2009 and 2008

Vesting

All active employees in the Plan are 100% vested.

Plan Termination

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.
- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) up to the applicable limitations discussed below.
- c. Vested benefits not insured by the PBGC.
- d. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

Subsequent Events

Subsequent events have been evaluated through October 8, 2010, which is the date the financial statements were available to be issued.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2009 and 2008

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and changes in net assets available for benefits, disclosure of contingent assets and liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Valuation of Investments and Income Recognition

Quoted market prices if available are used to value investments.

Mutual funds and money market mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year end.

Equity securities are valued at the closing price reported on the active market on which the individual securities are traded.

Purchases and sale of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses may be paid by the Plan Sponsor or the Plan, at the Plan Sponsor's discretion.

Accumulated Plan Benefits

Accumulated plan benefits (see *Note 4*) are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to:

- a. Retired or terminated employees or their beneficiaries
- b. Present employees or their beneficiaries

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2009 and 2008

Benefits under the Plan are based on employees' compensation during their last five years of credited service. The accumulated plan benefits for active employees are based on their average compensation during the five years preceding the valuation date. Accrued benefits under all circumstances (retirement, death and termination of employment), credited service and earnings were frozen as of December 31, 2002. Benefits payable under all circumstances — retirement, death, disability and termination of employment — are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits.

Plan Tax Status

The Plan obtained its latest determination letter on March 17, 2010, in which the Internal Revenue Service stated that the Plan and related trust, as then designed, were in compliance with the applicable requirements of the Internal Revenue Code and therefore not subject to tax. The plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

With a few exceptions, the Plan is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2006.

Note 3: Investments

The Plan's investments are held by a bank administered trust fund and a brokerage account at December 31, 2009 and 2008. The Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in fair value as follows:

	2009	
	Net Appreciation in Fair Value During Year	Fair Value at End of Year
Mutual funds	\$ 1,305,123	\$ 8,952,127
Equity securities	1,890,130	5,920,196
Money market mutual funds	-	176,620
	<u>\$ 3,195,253</u>	<u>\$ 15,048,943</u>

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements December 31, 2009 and 2008

	2008	
	Net Depreciation in Fair Value During Year	Fair Value at End of Year
Mutual funds	\$ (2,729,382)	\$ 7,376,176
Equity securities	(1,442,131)	3,963,887
Money market mutual funds	-	598,756
	<u>\$ (4,171,513)</u>	<u>\$ 11,938,819</u>

The fair value of individual investments that represented 5% or more of the Plan's net assets available for benefits were as follows:

	2009	2008
Vanguard Short-Term Bond Index Signal	\$ 1,883,690	\$ 2,162,567
Vanguard Short-Term Investment Grade	1,111,208	-
Dover Long/Short Sector Fund Class A	-	741,746
PIMCO Low Duration Class A	1,009,557	924,201

Interest and dividends realized on the Plan's investments for the years ended 2009 and 2008 were \$454,798 and \$741,641, respectively.

Note 4: Accumulated Plan Benefits

An actuary determines the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements December 31, 2009 and 2008

The accumulated plan benefit information as of the end of each plan year was as follows:

	2009	2008
Actuarial present value of accumulated plan benefits		
Vested benefits		
Participants currently receiving payments	\$ 7,370,554	\$ 5,959,086
Other participants	8,052,519	8,023,528
	<u>15,423,073</u>	<u>13,982,614</u>
Nonvested benefits	<u>136,293</u>	<u>58,428</u>
 Total actuarial present value of accumulated plan benefits	 <u><u>\$ 15,559,366</u></u>	 <u><u>\$ 14,041,042</u></u>

Changes in the actuarial present value of accumulated plan benefits were as follows:

	2009	2008
Actuarial present value of accumulated plan benefits, beginning of year	<u>\$ 14,041,042</u>	<u>\$ 13,066,763</u>
 Increase (decrease) during the year attributable to		
Benefits accumulated	8,109	154,207
Increase for interest due to the decrease in the discount period	1,162,613	1,080,404
Benefits paid	(741,873)	(727,477)
Assumption changes	<u>1,089,475</u>	<u>467,145</u>
 Net increase	<u><u>1,518,324</u></u>	<u><u>974,279</u></u>
 Actuarial present value of accumulated plan benefits, end of year	 <u><u>\$ 15,559,366</u></u>	 <u><u>\$ 14,041,042</u></u>

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2009 and 2008

Significant assumptions underlying the actuarial computations are:

	2009
Assumed rate of return on investments	8.00%
Mortality basis	IRS 2010 Static Mortality based on RP-2000 projected to 2025 and 2017 for nonannuitants and annuitants, respectively
Retirement	Rates varying by age, average age 62
	2008
Assumed rate of return on investments	8.50%
Mortality basis	IRS 2009 Static Mortality based on RP-2000 projected to 2024 and 2016 for nonannuitants and annuitants, respectively
Retirement	Rates varying by age, average age 63

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 5: Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association, or relatives of such persons.

Certain plan investments are managed by the trustee and custodian of the Plan. Fees paid by the Plan for investment management services amounted to \$154,098 and \$144,364 for the years ended December 31, 2009 and 2008, respectively.

The Plan incurs expenses related to general administration, investment management and record keeping. The Plan Sponsor pays certain accounting and auditing fees relating to the Plan.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2009 and 2008

Note 6: Fair Value Measurements

ASC Topic 820, *Fair Value Measurements*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Topic 820 also specifies a fair value hierarchy which requires a plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities.
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include mutual funds, money market mutual funds and equity securities. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The Plan has no investments classified as Level 2. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Plan has no investments classified as Level 3. See *Note 2* for definition of inputs utilized to determine fair value.

The following table presents the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2009 and 2008:

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements
December 31, 2009 and 2008

		2009		
		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
Mutual Funds				
Money market fund	\$ 176,620	\$ 176,620	\$ -	\$ -
Bond index fund	1,883,690	1,883,690	-	-
Short-term bond fund	2,120,765	2,120,765	-	-
High-yield bond fund	1,038,191	1,038,191	-	-
Foreign bond fund	1,510,663	1,510,663	-	-
Income stock fund	647,650	647,650	-	-
Large stock fund	496,214	496,214	-	-
Small stock fund	410,899	410,899	-	-
International stock fund	470,356	470,356	-	-
Long-short stock fund	373,698	373,698	-	-
Equity Securities				
Exchange-traded funds				
Large stock fund	263,645	263,645	-	-
Sector - Health care fund	374,064	374,064	-	-
Sector - Natural resources fund	114,973	114,973	-	-
Sector - Agribusiness fund	284,635	284,635	-	-
Sector - Agriculture fund	157,054	157,054	-	-
Sector - Energy fund	221,769	221,769	-	-
Sector - Metals/gold fund	308,409	308,409	-	-
International stock fund	630,029	630,029	-	-
Emerging market stock fund	1,530,011	1,530,011	-	-
Common stocks				
Sector - Health care stock	131,636	131,636	-	-
Sector - Energy stocks	250,746	250,746	-	-
Sector - Industrial stocks	390,048	390,048	-	-
Sector - Technology stocks	298,224	298,224	-	-
Sector - Metals/mining stocks	243,581	243,581	-	-
Managed accounts				
Large stocks	721,373	721,373	-	-
	<u>\$ 15,048,943</u>	<u>\$ 15,048,943</u>	<u>\$ -</u>	<u>\$ -</u>

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements
December 31, 2009 and 2008

		2008			
		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fair Value					
Mutual Funds					
Money market fund	\$ 598,756	\$ 598,756	\$ -	\$ -	
Bond index fund	2,143,959	2,143,959	-	-	
Short-term bond fund	1,379,276	1,379,276	-	-	
High-yield bond fund	433,233	433,233	-	-	
Foreign bond fund	1,030,215	1,030,215	-	-	
Income stock fund	393,586	393,586	-	-	
Large stock fund	455,350	455,350	-	-	
International stock fund	388,073	388,073	-	-	
Long-short stock fund	1,133,785	1,133,785	-	-	
Equity Securities					
Exchange-traded funds					
Sector - Health care fund	387,771	387,771	-	-	
Sector - Natural resources fund	107,407	107,407	-	-	
Sector - Agribusiness fund	272,234	272,234	-	-	
Sector - Agriculture fund	155,509	155,509	-	-	
Sector - Staples fund	209,170	209,170	-	-	
Sector - Energy fund	185,825	185,825	-	-	
Sector - Metals/gold fund	382,332	382,332	-	-	
International stock fund	269,257	269,257	-	-	
Emerging market stock fund	978,925	978,925	-	-	
Common stocks					
Sector - Health care stock	79,275	79,275	-	-	
Sector - Energy stocks	101,078	101,078	-	-	
Sector - Metals/mining stocks	296,324	296,324	-	-	
Managed accounts					
Large stocks	557,479	-	-	-	
	<u>\$ 11,938,819</u>	<u>\$ 11,381,340</u>	<u>\$ -</u>	<u>\$ -</u>	

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2009 and 2008

Note 7: Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. The Plan's exposure to these risks has been heightened because of the current economic environment. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially adversely affect the participants' account balances and the amounts reported in the statements of net assets available for benefits. The financial statements have been prepared using values and information currently available to the Plan.

Supplemental Schedule

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**

EIN 24-0802108 PN 001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2009

Identity of Issuer	Description of Investment	Cost	Current Value
*C&N Bank Trust and Financial Management Group	See Attached	\$ 1,844,091	\$ 1,883,690
*FSC Securities Corporation, Account # 35T-19559	See Attached	11,268,560	12,492,618
*FSC Securities Corporation, Account # 4MK-004610	See Attached	<u>634,883</u>	<u>746,818</u>
		<u>\$ 13,747,534</u>	<u>\$ 15,123,126</u>

*Party-in-interest as defined by ERISA

Charles Cole Memorial Hospital - (EIN 24-0802108)
Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, line 22 - Description of Weighted Average Retirement Age

The retirement assumption varies by age. The average retirement age was determined, as illustrated below, as a weighted average of the age at retirement, with weights equal to the number of a hypothetical 1,000 employee group assumed to retire at such age, according to the retirement assumption.

Age	Number of employees not yet retired	Percent assumed to retire	Number retiring	Product of age and number retiring
55	1,000	1.20%	12	660
56	988	0.80%	8	443
57	980	0.50%	5	279
58	975	0.30%	3	170
59	972	0.20%	2	115
60	970	0.10%	1	58
61	969	0.00%	0	0
62	969	25.00%	242	15,025
63	727	33.30%	242	15,252
64	485	50.00%	242	15,517
65	242	100.00%	242	15,760

Sum of (retirement age X number retiring)	63,279
Divided by hypothetical group size	1,000
= Weighted average retirement age (rounded to nearest year)	63

Charles Cole Memorial Hospital - (EIN 24-0802108)
Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, line 24 – Change in Actuarial Assumptions

- Retirement rates for ages 55 to 60 were increased from 0.0% to the rates shown in the attached assumptions. The change was made to enable the valuation software to accurately calculate at-risk liabilities.

Charles Cole Memorial Hospital - (EIN 24-0802108)
Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, line 25 – Change in Method

- The funding interest rate was changed from segment rates to the full corporate bond yield curve reflecting rates as of October 2008, as provided under the Pension Protection Act of 2009 (PPA).
- The method for calculating actuarial value of assets changed from fair market value to a 3-year smoothed value.
- An expense assumptions was included in the target normal cost.
- In connection with the change in enrolled actuaries, the actuarial software has changed since the prior year. In the absence of formal guidance to the contrary, this change was made in accordance with section 4.03 of Revenue Procedure 2000-40.

Charles Cole Memorial Hospital- (EIN 24-0802108)
Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)
Schedule SB, Line 32 – Schedule of Amortization Bases

Amortization Record in Support of Minimum Required Contribution

Type of Base	Present Value of Remaining Installments	Year Established	Remaining Period	Installment
Shortfall	\$ 1,763,352	1/1/2008	6.000	\$ 351,497
Shortfall	<u>\$ (441,724)</u>	1/1/2009	7.000	<u>\$ (78,383)</u>
Total	1,321,628			273,114

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**

EIN 24-0802108 PN 001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2009

Identity of Issuer	Description of Investment	Cost	Current Value
*C&N Bank Trust and Financial Management Group	See Attached	\$ 1,844,091	\$ 1,883,690
*FSC Securities Corporation, Account # 35T-19559	See Attached	11,268,560	12,492,618
*FSC Securities Corporation, Account # 4MK-004610	See Attached	<u>634,883</u>	<u>746,818</u>
		<u>\$ 13,747,534</u>	<u>\$ 15,123,126</u>

*Party-in-interest as defined by ERISA

Charles Cole Memorial Hospital - (24-0802108)

Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, Part V — Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions	2009
Funding interest rate basis:	
▶ Applicable month	October 2008
▶ Yield curve basis	Full yield curve
▶ Transition from current liability rates	N/A
Funding interest rates:	
▶ 10-year rate	8.85%
▶ 20-year rate	8.16%
▶ 30-year rate	7.48%
▶ Effective interest rate	8.10%
Annual rates of increase	
▶ Salaries	N/A
▶ Future Social Security wage bases	N/A
▶ Statutory limits on compensation and benefits	N/A

Demographic Assumptions

Mortality for contributions	Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)										
Termination	Rates varying by age										
	Representative rates:										
	<table><tr><th>Age</th><th>Rate</th></tr><tr><td>25</td><td>17.2%</td></tr><tr><td>40</td><td>11.3%</td></tr><tr><td>54</td><td>2.3%</td></tr><tr><td>55</td><td>1.2%</td></tr></table>	Age	Rate	25	17.2%	40	11.3%	54	2.3%	55	1.2%
Age	Rate										
25	17.2%										
40	11.3%										
54	2.3%										
55	1.2%										

Charles Cole Memorial Hospital - (24-0802108)

Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, Part V — Actuarial Assumptions and Methods

Disability

Rates varying by age and gender

Representative rates:

<i>Age</i>	<i>Male</i>	<i>Female</i>
25	0.05%	0.02%
40	0.16%	0.32%
55	0.91%	0.81%

Retirement

Rates varying by age, average age 63

Representative rates:

<i>Age</i>	<i>Rate</i>	<i>Age</i>	<i>Rate</i>
55	1.2%	60	0.1%
56	0.8%	61	0.0%
57	0.5%	62	25.0%
58	0.3%	63	33.3%
59	0.2%	64	50.0%
		65	100.0%

Benefit commencement date:

- ▶ Preretirement death benefit The later of the death of the active participant or the date the participant would have become eligible for early retirement
- ▶ Deferred vested benefit Normal retirement date
- ▶ Disability benefit Normal retirement date
- ▶ Retirement benefit Upon termination of employment

Form of payment 100% elect a life annuity

Percent married 85%

Spouse age Wife three years younger than husband

Administrative expense \$140,000

Special at-risk assumptions For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year. In addition, these participants are assumed to elect a life annuity if single or contingent annuity if married.

Methods

Valuation date First day of plan year

Charles Cole Memorial Hospital - (24-0802108)

Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, Part V — Actuarial Assumptions and Methods

Funding target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets.
Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits and administrative expenses and expected return. The average asset value must be within 10% of fair value, including contributions receivable.</p> <p>The expected return on assets is the return expected using the actuary's best estimate of the long term expected rate of return for the fund, but with such return limited to be no greater than the third segment rate in effect for the year in which the return is earned.</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the pension Protection Act of 2006 (PPA). These rules produce smoother values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits Not Valued	All benefits described in the Plan Provisions section of this report were valued. Towers Perrin is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funded interest rate was changed from segment rates to the full corporate bond yield curve reflecting rates as of October 2008, as provided under the Pension Protection Act of 2006 (PPA).

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

Expense assumption of \$140,000 added to target normal cost as required by the PPA.

Retirement rates for ages 55 to 60 were increased from 0.0% to the rates noted above, which are the same as the termination rates for ages 55 to 60.

The asset method was changed from fair market value to the smoothed value described above.

Charles Cole Memorial Hospital - (24-0802108)

Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, Part V — Actuarial Assumptions and Methods

Data Sources

Towers Perrin used asset data supplied by the trustee. Charles Cole Memorial Hospital furnished participant data as of the valuation date. Charles Cole also provided the dates and amounts of the 2008 contributions that will be paid in 2009. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, no significant events occurred between the date the data was collected and the measurement date. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Charles Cole Memorial Hospital - (24-0802108)

Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, Part V — Statement of Plan Provisions

Plan Provisions

Effective Date January 1, 1973

Covered Employees Employees of Charles Cole Memorial Hospital

Participation Date Age 21 and at least 1,000 hours in any plan year

No new participants after December 31, 2002

Definitions

Vesting service One year for each 1,000-hour year of employment

Credited service Prior to January 1, 1976: Elapsed time in completed years and months.

January 1, 1976 to December 31, 1982: A year of Credited Service is earned for each year an employee completes 1,000 hours of service.

January 1, 1983 to December 31, 2002: A year of Credited Service is earned for each year an employee completes 2,080 hours of service. A fraction of a year is earned if the employee completes 1,000 or more hours of service.

January 1, 2003 and later: No Credited Service is earned for time worked after December 31, 2002.

Pensionable pay Basic monthly full-time rate of pay

Average monthly earnings Average pensionable pay over the five calendar years preceding termination. For terminations after December 31, 2002, average basic pensionable pay over the five calendar years preceding that date.

Normal retirement date (NRD) Age 65, or after 5 years of vesting service, if later.

Monthly pension benefit 1.25% of average monthly earnings times years of credited service

Monthly preretirement death benefit 50% of the accrued monthly benefit, actuarially adjusted for the joint and 50% survivor payment form and early commencement, if applicable, payable commencing on the earliest date the participant could have retired, to the surviving spouse and continuing for the remaining lifetime of the surviving spouse.

Charles Cole Memorial Hospital - (24-0802108)

Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, Part V — Statement of Plan Provisions

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Age 55 and age plus service are greater than or equal to 65, or five years of vesting service, if later.
Postponed retirement	Retirement after NRD
Vested termination	Termination for reasons other than death or retirement after completing five years of vesting service
Preretirement death benefit	Death occurring while: <ul style="list-style-type: none">▶ Actively employed with five years of vesting service, or▶ Terminated with a vested deferred benefit but before benefit commencement

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD.
Early retirement	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. The payments are reduced 5/12% for each month retirement precedes age 65.
Postponed retirement	Monthly pension benefit determined as of actual retirement date.
Vested termination	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. Payments may begin when the participant meets the early retirement criteria above, reduced 5/12% for each month retirement precedes age 65.
Death with preretirement spouse benefits	Monthly preretirement death benefit is payable.

Other Plan Provisions

Forms of payment	Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 100% joint and survivor annuity, a ten-year certain and life annuity, a five-year certain and life annuity or (for married participants) a life annuity.
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Charles Cole Memorial Hospital - (24-0802108)

Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)

Schedule SB, Part V — Statement of Plan Provisions

Maximum on benefits and pay

All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

Charles Cole Memorial Hospital - (24-0802108)
Retirement Plan for Employees of Charles Cole Memorial Hospital (PN 001)
Schedule SB, Line 26 — Schedule of Active Participant Data

Attained Age		Total Years of Credited Service									Total
		Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	40 & up	
Under 25	Count	1									1
25 to 29	Count	2	4								6
30 to 34	Count	5	17	5	1						28
35 to 39	Count	1	15	7	5						28
40 to 44	Count	2	11	5	11	1					30
45 to 49	Count	4	14	11	13	9	10				61
50 to 54	Count	5	8	6	10	4	11	5			49
55 to 59	Count	2	10	8	14	4	7	6	2		53
60 to 64	Count	1	5	8	3	1	2	5	4		29
65 to 69	Count		3	1							4
70 & up	Count		1								1
Total	Count	23	88	51	57	19	30	16	6	0	290

Average Age = 48.7

Average Credited Service = 10.2

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE	B Three-digit plan number (PN) <u>001</u>	
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CHARLES COLE MEMORIAL HOSPITAL	D Employer Identification Number (EIN) 24-0802108	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2009</u>			
2 Assets:			
a Market value	2a	12,108,925	
b Actuarial value	2b	13,319,818	
3 Funding target/participant count breakdown	(1) Number of participants		(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	163	6,025,207
b For terminated vested participants	3b	195	3,369,013
c For active participants:			
(1) Non-vested benefits	3c(1)		41,507
(2) Vested benefits	3c(2)		5,205,719
(3) Total active	3c(3)	290	5,247,226
d Total	3d	648	14,641,446
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	8.10 %	
6 Target normal cost	6	140,000	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Julia H. Page JHP Signature of actuary	10/13/2010 Date
	JULIA H. PAGE Type or print name of actuary	08-04915 Most recent enrollment number
	TOWERS WATSON, PENNSYLVANIA INC. Firm name	(513) 345-4200 Telephone number (including area code)
	255 EAST FIFTH STREET SUITE 2120 CINCINNATI OH 45202-4721 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

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v.092308.1

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of <u> .00 </u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		11
b	Interest on (a) using prior year's effective rate of <u> 6.16 </u> %		1
c	Total available at beginning of current plan year to add to prefunding balance		12
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages			
14	Funding target attainment percentage.....	14	90.97 %
15	Adjusted funding target attainment percentage.....	15	90.97 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	88.42 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	87,874				
07/14/2009	87,874				
10/15/2009	87,874				
01/14/2010	87,874				
09/10/2010	90,395				
Totals ▶			18(b)	441,891	18(c)
					0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 413,234
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of Quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	140,000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	1,321,628	273,114
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	413,114
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	413,114
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	413,234
38 Interest-adjusted excess contributions for current year (see instructions)	38	120
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0