

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 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010			
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 EMPLOYEES' RETIREMENT PLAN OF MEDCENTRAL HEALTH SYSTEM 2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) MEDCENTRAL HEALTH SYSTEM 335 GLESSNER AVE MANSFIELD, OH 44903-2224	1b Three-digit plan number (PN) ►	002	
	1c Effective date of plan	07/01/1965	
	2b Employer Identification Number (EIN)	34-0714456	
	2c Sponsor's telephone number	419-526-8000	
	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.	10/13/2011	RICHARD HOBACK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") MEDCENTRAL HEALTH SYSTEM 335 GLESSNER AVE MANSFIELD, OH 44903-2224	3b Administrator's EIN 34-0714456 3c Administrator's telephone number 419-526-8000
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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	3461
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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	2042
b Retired or separated participants receiving benefits.....	6b	396
c Other retired or separated participants entitled to future benefits.....	6c	886
d Subtotal. Add lines 6a , 6b , and 6c	6d	3324
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	52
f Total. Add lines 6d and 6e	6f	3376
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	42

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 1C 1G

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)

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 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **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 <u>EMPLOYEES' RETIREMENT PLAN OF MEDCENTRAL HEALTH SYSTEM</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>MEDCENTRAL HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-0714456</u>
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>01</u> Day <u>01</u> Year <u>2010</u>	
2 Assets:	
a Market value	2a <u>58848986</u>
b Actuarial value	2b <u>59970093</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>416</u> <u>10116867</u>
b For terminated vested participants	3b <u>809</u> <u>11721460</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>351970</u>
(2) Vested benefits	3c(2) <u>36780476</u>
(3) Total active	3c(3) <u>2236</u> <u>37132446</u>
d Total	3d <u>3461</u> <u>58970773</u>
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 <u>6.65</u> %
6 Target normal cost	6 <u>2980282</u>

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		<u>10/13/2011</u>
	Signature of actuary	Date
<u>MEGAN E. SCHAFFERNOCKER</u>		<u>11-06493</u>
	Type or print name of actuary	Most recent enrollment number
<u>MERCER</u>		<u>614-227-5567</u>
	Firm name	Telephone number (including area code)
<u>325 JOHN H. MCCONNELL BLVD, STE 350</u> <u>COLUMBUS, OH 43215-7644</u>		
	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.

Schedule SB (Form 5500) 2010
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)			
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)			
9 Amount remaining (Item 7 minus item 8).....			
10 Interest on item 9 using prior year's actual return of <u>21.03</u> %			
11 Prior year's excess contributions to be added to prefunding balance:			
a Excess contributions (Item 38 from prior year)		253252	
b Interest on (a) using prior year's effective rate of <u>6.26</u> %		15854	
c Total available at beginning of current plan year to add to prefunding balance		269106	
d Portion of (c) to be added to prefunding balance.....			
12 Reduction in balances due to elections or deemed elections.....			
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	101.69	%
15 Adjusted funding target attainment percentage.....	15	101.69	%
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	90.00	%
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	
01/25/2010	642820		01/27/2011	638400		
03/19/2010	642820		03/21/2011	638400		
05/21/2010	642820		05/23/2011	638400	0	
07/16/2010	642820		07/26/2011	638400		
09/23/2010	642820		09/15/2011	598400		
11/19/2010	642820					
Totals ▶			18(b)	7008920	18(c)	

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	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	6610306
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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
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	1980962
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment		
b Waiver amortization installment		
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	1980962
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement		Total balance
36 Additional cash requirement (item 34 minus item 35).....	36	1980962
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	6610306
38 Interest-adjusted excess contributions for current year (see instructions).....	38	4629344
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	
40 Unpaid minimum required contribution for all years	40	

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010	
A Name of plan EMPLOYEES' RETIREMENT PLAN OF MEDCENTRAL HEALTH SYSTEM	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 MEDCENTRAL HEALTH SYSTEM	D Employer Identification Number (EIN) 34-0714456

Part I	Service Provider Information (see instructions)
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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)

KEYTRUST

4900 TIEDEMAN ROAD
BROOKLYN, OH 44144

34-0797057

(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 13 99 19 28 10	NONE	209187	Yes ☐ No ☒	Yes ☐ No ☒	440	Yes ☐ No ☒

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

WILLIAM M. MERCER, INC.

325 JOHN H. MCCONNELL BLVD, SUITE 3
COLUMBUS, OH 43215

31-1110715

(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?
13	NONE	111793	Yes ☐ No ☒	Yes ☐ No ☒	0	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 ☐

(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:	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:

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
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan EMPLOYEES' RETIREMENT PLAN OF MEDCENTRAL HEALTH SYSTEM	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 MEDCENTRAL HEALTH SYSTEM	D Employer Identification Number (EIN) 34-0714456	

Part I	Asset and Liability Statement
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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)		3152000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	305063	541845
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	5916429	5477562
(2) U.S. Government securities.....	1c(2)	10078711	13204014
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	7243683	6594708
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	11590694	10690894
(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)	23863321	29573819
(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	58997901	69234842

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	148915	320718
k Total liabilities (add all amounts in lines 1g through 1j)	1k	148915	320718

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	58848986	68914124
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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)	7008920	
(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)		7008920
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	14612	
(B) U.S. Government securities	2b(1)(B)	282963	
(C) Corporate debt instruments	2b(1)(C)	440461	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	13811	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		751847
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	209504	
(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)		209504
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	108858125	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	108201687	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		656438

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	763337	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		763337
(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)		4183982
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		13574028

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3017919	
(2) To insurance carriers for the provision of benefits	2e(2)	169991	
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		3187910
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)	111793	
(2) Contract administrator fees	2i(2)	209187	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		320980
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		3508890

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		10065138
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: RIESTER, LUMP & BURTON CPA'S INC

(2) EIN: 34-1323620

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		1500000
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.).....		X	
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.		X	

- 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)

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
		2010
		This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>EMPLOYEES' RETIREMENT PLAN OF MEDCENTRAL HEALTH SYSTEM</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MEDCENTRAL HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-0714456</u>

Part I	Distributions
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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.....	1	<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>34-1974250</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.....	3	<u>81</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)
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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	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
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).....	6c		
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.
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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) 2010
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): _____

John R. Lump, CPA
Bradley L. Hostetler, CPA
Dennis A. Davis, CPA
Helen K. Brown, CPA
Robert T. Barrett, CPA

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Thomas N. Riester, CPA
Retired
Robert A. Burton, CPA
1950-1998

INDEPENDENT AUDITOR'S REPORT

October 13, 2011

Board of Trustees
Employees' Retirement Plan of
MedCentral Health System
335 Glessner Avenue
Mansfield, OH 44905

We were engaged to audit the financial statements of the Employees' Retirement Plan of MedCentral Health System (Plan) as of December 31, 2010 and 2009, and for the years then ended, and the supplemental schedules as of and for the year ended December 31, 2010 as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform any auditing procedures with respect to the information summarized in note C, which was certified by Key Trust Company of Ohio, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Riester, Lump & Burton CPAs, Inc.

Riester, Lump & Burton CPAs, Inc.
Mansfield, Ohio

Schedule SB, Part V — Summary of Plan Provisions**Benefits included or excluded**

Unless noted below, all benefits provided by the plan, as restated and amended through January 1, 2008 are included in this valuation.

- **Plan amendments:** Amendments adopted after the valuation date or effective after the current plan year are excluded from the valuation.
- **Late retirement increases:** The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70 ½. This valuation does not include increases for current participants over age 70.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). The funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Summary of major plan provisions

Effective date and plan year	Original plan: July 1, 1965 Restated plan: January 1, 2007 Plan year: January 1 – December 31
Status of the plan	The plan has ongoing benefit accruals and new employees are eligible to participate in the plan once they satisfy the participation requirements.
Significant events that occurred during the year	None
Definitions	
▪ Covered employees	Employees of MedCentral Health System
▪ Participation	An employee is eligible as of the January 1 or July 1 after attaining age 21 and completing a year of employment with at least 1,000 hours of service.
▪ Employee contributions	Not applicable
▪ Vesting service	An employee shall receive one (1) year for each calendar year that he or she is credited with at least 1,000 hours of service.

Schedule SB, Part V — Summary of Plan Provisions

-
- | | |
|--|--|
| <ul style="list-style-type: none"> ▪ Pensionable earnings | Total salary or wages including bonuses, overtime pay, overtime premium, shift differential, on-call or call-in pay and other paid time off, Code Section 403(b) deferrals, and clergy housing allowances. |
|--|--|
-

Normal retirement

-
- | | |
|---|--|
| <ul style="list-style-type: none"> ▪ Eligibility | For those who become participants after January 1, 1997, the last day of the month in which an employee attains age 65 or the fifth anniversary of his or her participation if later. For those who were participants on or before January 1, 1997, the last day of the month in which an employee attains age 65. |
|---|--|
-

- | | |
|---|--|
| <ul style="list-style-type: none"> ▪ Benefit | <p>Benefit: An Account Balance is established for each plan participant. This account is credited as of January 1, 1997 with an Initial Account Balance and with Compensation Credits and Interest Credits at the end of each plan year thereafter.</p> |
|---|--|

Initial Account Balance: The Account Balance of any participant of the prior plan will be credited with an amount equal to the actuarial equivalent of the participant's prior plan benefit based on the accrued benefit determined under the terms of the Plan in effect on December 31, 1996.

Compensation Credits: If a participant is credited with at least 1,000 hours of service during a Plan Year, at the end of that Plan Year or upon termination of employment, the participant's Account Balance will be credited with the amount stated in the table below:

<u>Age at last birthday</u>	<u>Compensation credit</u>
Under 30	2.5%
30 - 39	3.0%
40 - 49	4.0%
50 - 59	5.0%
60 or older	6.0%

Interest Credit: As of the last day of each Plan Year, a participant's Account Balance will be credited with interest equal to the product of the participant's Account Balance multiplied by the average return on 30-Year Treasury bills for the preceding December.

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
▪ Eligibility	Attainment of age 55 and completion of three (3) or more years of Eligibility Service.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the Early Retirement Date.
Late retirement	
▪ Eligibility	The first day of the month subsequent to the member's normal retirement date and following termination of employment.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the Late Retirement Date.
Deferred vested	
▪ Eligibility	Completion of three (3) years of Eligibility Service.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the date of termination. Interest Credits are credited to the Account Balance up until the balance is distributed.
Disability	
▪ Eligibility	Completion of fifteen (15) years of Eligibility Service and total and permanent disability.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the date of disability. Interest Credits are credited to the Account Balance up until the balance is distributed.
Pre-retirement death	
▪ Eligibility	If a participant dies after becoming vested but before retiring, the surviving spouse or beneficiary is entitled to a pre-retirement death benefit.
▪ Benefit prior to early retirement	Calculated as if the deceased participant had terminated on the date before death and elected the joint and 50% form of payment as of the earliest possible retirement date. The surviving spouse may elect to receive 50% of the deceased participant's Account Balance in lieu of the monthly benefit. The beneficiary or estate of an unmarried participant shall receive 50% of the participant's Account Balance upon the participant's death.

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
▪ Automatic form for unmarried participants	A monthly life annuity.
▪ Automatic form for married participants	Joint and 50% Survivor annuity.
▪ Optional forms	▪ Life Only ▪ Life and Ten Years Certain ▪ Joint and 50% Survivor ▪ Joint and 75% Survivor ▪ Joint and 100% Survivor ▪ Lump Sum
▪ Optional form conversion factors	417(e) assumptions for lump sums. Optional forms of benefit other than the lump sum are based upon the 1984 Unisex Pension Table (with the participant's age set-back 3 years) and an interest rate of 6.0%.
Miscellaneous	
▪ Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2010, the limit is \$245,000.
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2010, the limit is \$195,000.

Schedule SB, Part V — Summary of Plan Provisions

-
- | | |
|---|--|
| <ul style="list-style-type: none">▪ Amendment History | <ul style="list-style-type: none">▪ January 1, 1997 - Convert to Cash Balance Plan▪ January 1, 2000 - Increased interest credits to 8% for plan years 1997 through 1999.▪ January 1, 2002 – Increased compensation limit pursuant to EGTRRA.▪ December 31, 2002 – Convert Account Balances to monthly benefits and calculate lump sums based on the 1994 GAR projected to 2002 (unloaded and blended 50% male/50% female)▪ March 28, 2005 – The threshold for mandatory lump sum payments was lowered from \$5,000 to \$1,000 with optional lump sum payments available for payouts between \$1,000 and \$5,000 if requested during the 90-day election period.▪ January 1, 2007 – Plan restatement.▪ January 1, 2008 – PPA required 100% vesting for cash balance plans after three years of vesting service. MedCentral expanded upon this and updated their early retirement eligibility to 55 and three (3) years of vesting service. PPA benefit restriction provisions and increase election period to 180 days. |
|---|--|
-

Schedule SB, Part V — Summary of Plan Provisions***Minimum benefit provisions for eligible employees as of December 31, 1996*****Definitions**

▪ Continuous service	Elapsed time from hire date through January 1, 1976 plus one year of such service after January 1, 1976 for each Plan Year in which an employee works at least 1,000 hours.
▪ Continuous benefit service	One year for each full Plan Year prior to termination in which a participant worked 501 or more hours, but less than 1,000 hours, plus a portion of a year for the year of hire and/or year of termination if applicable.
▪ Credited service	(a) Prior to January 1, 1976 - number of years at Continuous Service; (b) January 1, 1976 to December 31, 1983 - 1/10th of a year for each 200 hours worked in each Plan year not to exceed one (1); (c) January 1, 1984 and later - 1/10th of a year for each 190 hours worked in each Plan Year, not to exceed one (1).
▪ Compensation considered	Total salary or wages including bonuses, overtime pay, overtime premium, shift differential, on-call or call-in pay and other paid time off, Code Section 403(b) deferrals, and clergy housing allowances.
▪ Final average monthly compensation	Monthly Average Compensation for the five (5) highest paid consecutive calendar years of the ten (10) calendar years prior to the earlier of (a) the calendar year of termination or retirement or (b) December 31, 2000. For terminations or retirements on the last day of a calendar year, the final year is used in the average.
▪ Covered compensation	The average of the Social Security Taxable Wage Bases in effect for each calendar year during the 35-year period ending with the earlier of (a) the last day of the calendar year in which the employee attains Social Security Retirement Age or (b) December 31, 2000.
Normal retirement	
▪ Eligibility	The last day of the month in which an employee attained age 65.

Schedule SB, Part V — Summary of Plan Provisions

▪ Benefit	A monthly benefit in the amount of the greater of (i), (ii) or (iii) below: (i) 0.9% of final Average Monthly Compensation up to Covered Compensation, plus 1.45% of Final Average Monthly Compensation in excess of Covered Compensation; the sum multiplied by years of continuous Benefit Service at retirement (not to exceed 30 years). (ii) 1.0% of Final Average Monthly Compensation (up to \$2,667 per month) multiplied by years of Continuous Benefit Service at retirement (not to exceed 30 years). (iii) \$12.00 multiplied by years of Credited Service at retirement.
Early retirement	
▪ Eligibility	Attainment of age 55 and completion of ten (10) or more years of Eligibility Service.
▪ Benefit	Same as Normal Retirement Benefit taking into account only service through Early Retirement, reduced 1/12th of 5% for each month that benefit commencement precedes Normal Retirement.
Late retirement	
▪ Eligibility	Termination of employment following Normal Retirement Benefit Eligibility.
▪ Benefit	Same as Normal Retirement benefit including service after Normal Retirement.
Deferred vested	
▪ Eligibility	Termination of employment after completion of five (5) years of Eligibility Service.
▪ Benefit	Same as Normal Retirement Benefit taking into account only service through termination (payable at Normal Retirement Age).
Disability	
▪ Eligibility	Termination of employment due to permanent and total disability after fifteen (15) years of Eligibility Service.
▪ Benefit	Same as Early Retirement Benefit, with further actuarial reduction for commencement prior to age 65.

Schedule SB, Part V — Summary of Plan Provisions

Pre-retirement death	
▪ Eligibility	A married vested participant who dies shall be eligible for a death benefit.
▪ Benefit prior to early retirement	The amount of the death benefit shall be the monthly pension due to the spouse had the joint and 50% survivor option been elected immediately before the death of the participant.
Form of benefits	
▪ Automatic form for unmarried participants	A monthly life annuity.
▪ Automatic form for married participants	Joint and 50% Survivor annuity.
▪ Optional forms	▪ Life Only ▪ Life and Ten Years Certain ▪ Joint and 50% Survivor ▪ Joint and 75% Survivor ▪ Joint and 100% Survivor ▪ Lump Sum

Plan provision changes since prior valuation

Maximum compensation and maximum benefits were updated from 2009 to 2010 although the limits did not change, so there was no impact on the results.

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR
INVESTMENT PURPOSES AT YEAR END**

December 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(d) Cost	(e) Current Value
	Mutual Funds:			
	Aston Optimum Mid Cap Fund	90,615.758 Shares	1,689,146	2,931,420
	Alger Small Cap Growth Fund	75,143.191 Shares	879,642	1,185,008
	Columbia Value & Restructuring Fund	48,048.819 Shares	2,609,110	2,426,946
	Dodge & Cox International Stock Fund	47,968.209 Shares	1,521,059	1,712,945
	Harbor International Fund	27,857.157 Shares	1,469,790	1,686,751
	Ishares MSCI Canada Index Fund	38,754 Shares	1,151,900	1,201,374
	Ishares MSCI Pac Ex-Jap Index Fund	25,387 Shares	1,142,728	1,192,681
	Ishares MSCI Emerging Markets Index	40,318 Shares	1,198,822	1,920,830
	Munder Midcap Core Growth Fund	86,171.263 Shares	1,551,170	2,451,572
	T Rowe Price Emerging Markets Stk Fund	66,033.553 Shares	1,612,704	2,329,664
	Royce Special Equity Fund	55,689.388 Shares	922,167	1,162,237
	Thornburg Value Fund	114,932.441 Shares	3,577,401	3,959,423
	Vanguard Morgan Growth Fund	96,850.385 Shares	4,571,088	5,412,968
	Total Mutual Funds		23,896,727	29,573,819
	Common Stocks:			
	Ingersoll Rand PLC	3,027 Shares	124,764	142,541
	Invesco Ltd	3,868 Shares	77,544	93,064
	Abb Ltd	10,870 Shares	225,464	244,032
	Abbott Labs	2,730 Shares	136,997	130,794
	American Tower Corp	2,617 Shares	133,962	135,142
	Anadarko Pete Corp	1,897 Shares	85,602	144,476
	Anheuser Busch Inbev N V	2,261 Shares	130,587	129,080
	Autodesk Inc	3,520 Shares	120,844	134,464
	Boeing Co	4,252 Shares	273,341	277,486
	Chubb Corp	2,137 Shares	107,349	127,451
	Dr Pepper Snapple Group Inc	4,662 Shares	170,660	163,916

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR
INVESTMENT PURPOSES AT YEAR END**

December 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(d) Cost	(e) Current Value
	EMC Corp	12,413 Shares	216,129	284,258
	Ensco Intl PLC	1,207 Shares	50,666	64,430
	Exelon Corp	2,603 Shares	110,415	108,389
	Exxon Mobil Corp	5,748 Shares	377,360	420,294
	Ford Motor Company	10,842 Shares	125,949	182,037
	General Elec Co	15,518 Shares	271,881	283,824
	Google Inc	839 Shares	448,020	498,341
	Halliburton Co	7,493 Shares	209,124	305,939
	International Paper Co	6,003 Shares	154,113	163,522
	Iron Mountain Inc	745 Shares	18,640	18,632
	JP Morgan Chase & Co	7,142 Shares	288,112	302,964
	Johnson & Johnson	1,907 Shares	116,919	117,948
	Johnson Controls Inc	7,100 Shares	208,504	271,220
	Kraft Foods Inc	7,023 Shares	210,349	221,295
	Lowes Cos Inc	13,651 Shares	305,272	342,367
	Macy's Inc	5,036 Shares	113,838	127,411
	Medtronic Inc	3,819 Shares	134,685	141,647
	Merck & Co Inc	6,182 Shares	221,700	222,799
	Metlife Inc	5,886 Shares	237,289	261,574
	Microsoft Corp	11,252 Shares	309,842	314,043
	Monsanto Co	1,563 Shares	83,796	108,847
	Morgan Stanley	8,276 shares	225,183	225,190
	Nestle S A	2,491 Shares	119,878	146,316
	Nucor Corp	5,811 Shares	235,680	254,638
	Oracle Corp	10,335 Shares	221,346	323,486
	Paccar Inc	2,061 Shares	110,773	118,178
	Paychex Inc	5,363 Shares	156,844	165,770
	Pfizer Inc	20,312 Shares	319,039	355,663

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR
INVESTMENT PURPOSES AT YEAR END**

December 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(d) Cost	(e) Current Value
	Qualcomm Inc	7,814 Shares	300,267	386,715
	Raytheon Co	3,078 Shares	146,156	142,634
	Schlumberger Ltd	5,050 Shares	334,659	421,675
	Schwab Charles Corp	15,918 Shares	274,822	272,357
	Southwest Airlines Co	11,078 Shares	110,957	143,792
	Staples Inc	10,170 Shares	229,519	231,571
	Target Corp	4,238 Shares	178,632	254,831
	Toll Brothers Inc	4,414 Shares	91,312	83,866
	Travelers Cos Inc	2,744 Shares	142,550	152,868
	United Parcel Service Inc	4,430 Shares	250,666	321,529
	Waste Management Inc	2,202 Shares	72,340	81,188
	Western Union Co	6,699 Shares	110,600	124,400
		Total Common Stocks	9,430,940	10,690,894
	Cash Equivalents:			
*	E B Money Market Fund	5,477,562.090 Shares	5,477,562	5,477,562
	U.S. Government Securities:			
	Freddie Mac Note	500,000 Units, 4.5%, Due 1/15/14	548,965	549,640
	Fannie Mae Note	430,000 Units, 1.125%, Due 7/30/12	433,492	433,758
	Fannie Mae Note	1,615,000 Units, 1.0%, Due 9/23/13	1,611,286	1,612,561
	Fannie Mae Pool 303309	4,686.100 Units, 8.5%, Due 4/1/25	8,833	5,426
	Government Natl Mtg Assn Pool 416999	9,029.590 Units, 7%, Due 12/15/27	12,695	10,340
	Government Natl Mtg Assn Pool 523307	1,501.490 Units, 7.5%, Due 12/15/29	0	1,736
	United States Treasury Notes	180,000 Units, 4.625%, Due 7/31/12	191,777	191,826
	United States Treasury Notes	195,000 Units, 3.125%, Due 4/30/13	205,771	206,000
	United States Treasury Notes	3,325,000 Units, 1.125%, Due 6/30/11	3,345,414	3,340,328
	United States Treasury Notes	265,000 Units, 2.625%, Due 12/31/14	275,662	276,323

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR
INVESTMENT PURPOSES AT YEAR END**

December 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(d) Cost	(e) Current Value
	United States Treasury Notes	245,000 Units, 2.50%, Due 6/30/17	252,072	244,081
	United States Treasury Notes	2,831,000 Units, 2.625%, Due 8/15/20	2,845,462	2,683,930
	United States Treasury Notes	3,760,000 Units, 1.25%, Due 9/30/15	3,727,896	3,648,065
		Total U.S. Government Securities	13,459,325	13,204,014
	Foreign Bonds:			
	Asian Development Bank	80,000 Units, 4.50%, Due 9/4/12	85,138	84,981
	BP Capital Markets PLC	385,000 Units, 3.125%, Due 10/1/15	383,907	384,734
	Diageo Capital PLC	35,000 Units, 5.50%, Due 9/30/16	40,809	39,263
	European Investment Bank	75,000 Units, 4.625%, Due 5/15/14	77,207	82,536
	European Investment Bank	55,000 Units, 5.125%, Due 9/13/16	61,204	62,108
	European Investment Bank	80,000 Units, 2.75%, Due 3/23/15	82,690	82,475
	Inter-American Development Bank	65,000 Units, 4.375%, Due 9/20/12	63,734	69,014
	Inter-American Development Bank	65,000 Units, 4.50%, Due 9/15/14	66,685	71,976
	Kreditanstalt Fur Wiederaufbau	95,000 Units, 4.125%, Due 10/15/14	103,112	103,294
	Kreditanstalt Fur Wiederaufbau	95,000 Units, 4.50%, Due 7/16/18	100,429	103,338
	Landwirtschaftliche Rentenbank	100,000 Units, 1.875%, Due 9/24/12	101,798	101,818
	Oesterreichische Kontrollbank	45,000 Units, 4.50%, Due 3/9/15	44,519	49,050
	Ontario Prov CDA	30,000 Units, 5.125%, Due 7/17/12	32,051	32,008
	Ontario Prov CDA	55,000 Units, 5.45%, Due 4/27/16	62,090	62,549
	Quebec Prov CDA	35,000 Units, 4.875%, Due 5/5/14	38,096	38,736
	Quebec Prov CDA	35,000 Units, 5.125%, Due 11/14/16	38,524	39,245
	Rio Tinto Finance USA Ltd	30,000 Units, 6.50%, Due 7/15/18	33,654	34,976
	Vodafone Group PLC	40,000 Units, 5.625%, Due 2/27/17	43,142	44,652
		Total Foreign Bonds	1,458,789	1,486,753
	Corporate Bonds:			
	AT&T Inc Note	50,000 Units, 4.95%, Due 1/15/13	54,234	53,594

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR
INVESTMENT PURPOSES AT YEAR END**

December 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(d) Cost	(e) Current Value
	AT&T Inc Note	75,000 Units, 5.50%, Due 2/1/18	79,580	83,316
	AT & T Wireless Services Inc Note	40,000 Units, 8.125%, Due 5/1/12	45,294	43,695
	Abbott Laboratories Senior Note	30,000 Units, 5.15%, Due 11/30/12	32,127	32,436
	Abbott Laboratories Senior Note	45,000 Units, 5.6%, Due 11/30/17	48,585	51,449
	Alcan Inc Note	30,000 Units, 5.0%, Due 6/1/15	33,271	32,676
	Alcoa Inc Note	35,000 Units, 5.72%, Due 2/23/19	35,538	35,497
	American Express Note	45,000 Units, 6.15%, Due 8/28/17	48,353	50,724
	Anheuser-Busch Cos Inc Note	35,000 Units, 5.50%, Due 1/15/18	36,782	38,427
	BHP Billiton Finance USA Ltd Senior Note	20,000 Units, 4.8%, Due 4/15/13	19,485	21,671
	Baker Hughes Inc Senior Note	65,000 Units, 6.5%, Due 11/15/13	65,541	73,975
	Bank of America Corp Senior Note	60,000 Units, 6.25%, Due 4/15/12	63,026	63,200
	Bank of America Corp Note	100,000 Units, 5.65%, Due 5/1/18	102,151	102,177
	Bank of New York Co Inc Note	75,000 Units, 4.95%, Due 11/1/12	80,933	80,471
	Berkshire Hathaway Finance Corp Note	40,000 Units, 4.85%, Due 1/15/15	43,495	43,744
	Boeing Capital Corp Bond	20,000 Units, 5.8%, Due 1/15/13	21,097	21,826
	CBS Corp Note	105,000 Units, 4.30%, Due 2/15/21	104,719	99,701
	Caterpillar Fin Svcs Corp Med Term Note	35,000 Units, 4.6%, Due 1/15/14	34,491	37,794
	Caterpillar Inc Note	35,000 Units, 7.90%, Due 12/15/18	43,403	45,047
	Cisco Systems Inc Senior Note	45,000 Units, 5.50%, Due 2/22/16	51,367	51,350
	Citigroup Inc Note	65,000 Units, 5.00%, Due 9/15/14	68,513	67,241
	Citigroup Inc Note	75,000 Units, 6.125%, Due 11/21/17	77,977	82,192
	Coca Cola Enterprises Inc Deb	25,000 Units, 8.5%, Due 2/1/12	28,230	27,055
	Comcast Corp Note	45,000 Units, 5.3%, Due 1/15/14	44,030	49,021
	Comcast Corp Note	55,000 Units, 4.95%, Due 6/15/16	52,591	59,258
	Conocophillips Note	75,000 Units, 4.75%, Due 10/15/12	75,837	80,317
	Conocophillips Note	75,000 Units, 5.75%, Due 2/1/19	82,195	85,471
	Coventry Health Care Inc Senior Note	120,000 Units, 5.875%, Due 1/15/12	121,676	124,196
	Cox Communications Inc Note	30,000 Units, 7.125%, Due 10/1/12	32,582	32,902

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR
INVESTMENT PURPOSES AT YEAR END**

December 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(d) Cost	(e) Current Value
	Credit Suisse First Boston USA Note	40,000 Units, 6.5%, Due 1/15/12	41,926	42,260
	Credit Suisse First Boston USA Note	55,000 Units, 5.125%, Due 1/15/14	59,494	59,851
	DaimlerChrysler Holding Corp Senior Note	40,000 Units, 7.3%, Due 1/15/12	42,879	42,499
	John Deere Capital Group Note	50,000 Units, 5.1%, Due 1/15/13	54,095	53,988
	Dominion Resources Inc Senior Note	35,000 Units, 5.15%, Due 7/15/15	35,418	38,740
	Dominion Resources Inc Senior Note	50,000 Units, 5.6%, Due 11/15/16	50,217	56,277
	Dow Chemical Co Note	25,000 Units, 6.125%, Due 2/1/11	25,977	25,086
	Dow Chemical Note	40,000 Units, 6%, Due 10/1/12	42,837	43,093
	E I Du Pont De Nemours & Co Note	15,000 Units, 4.875%, Due 4/30/14	14,606	16,336
	Du Pont E I De Nemours & Co Note	40,000 Units, 6.0%, Due 7/15/18	44,610	45,992
	Duke Energy Corp Note	25,000 Units, 6.25%, Due 1/15/12	26,657	26,392
	Ebay Inc Note	240,000 Units, 1.625%, Due 10/15/15	239,112	230,287
	Enterprise Prods Operating Llc Note	65,000 Units, 6.50%, Due 1/31/19	71,533	73,804
	Exelon Corp Note	60,000 Units, 4.90%, Due 6/15/15	66,107	63,986
	General Electric Co Note	30,000 Units, 5.0%, Due 2/1/13	32,125	32,069
	General Electric Co Note	65,000 Units, 5.25%, Due 12/6/17	67,375	70,206
	General Electric Cap Corp Note	80,000 Units, 6.0%, Due 6/15/12	86,714	85,521
	General Electric Cap Corp Note	65,000 Units, 5.625%, Due 5/1/18	66,693	70,883
	General Mills Inc Note	15,000 Units, 6.0%, Due 2/15/12	15,982	15,816
	Goldman Sachs Group Inc Senior Note	40,000 Units, 6.60%, Due 1/15/12	42,352	42,298
	Goldman Sachs Group Inc Senior Note	65,000 Units, 5.125%, Due 1/15/15	62,830	69,835
	Goldman Sachs Group Inc Senior Note	65,000 Units, 5.75%, Due 10/1/16	67,134	70,779
	Gulfstream Natural Gas Sys LLC Senior Note	85,000 Units, 6.95%, Due 6/1/16	86,354	99,184
	HSBC Finance Corp Note	30,000 Units, 5.0%, Due 6/30/15	32,163	31,866
	Home Depot Inc Senior Note	45,000 Units, 5.4%, Due 3/1/16	44,519	50,427
	International Business Machines Note	65,000 Units, 4.75%, Due 11/29/12	66,130	69,783
	International Business Machines Note	45,000 Units, 5.70%, Due 9/14/17	51,453	51,649
	International Paper Co Note	15,000 Units, 5.25%, Due 4/1/16	15,309	15,973

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
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**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR
INVESTMENT PURPOSES AT YEAR END**

December 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(d) Cost	(e) Current Value
	JP Morgan Chase & Co Note	85,000 Units, 5.15%, Due 10/1/15	91,569	89,898
	JP Morgan Chase & Co Senior Note	90,000 Units, 6.0%, Due 1/15/18	97,030	100,508
	Kimberly Clark Corp Note	20,000 Units, 6.25%, Due 7/15/18	22,732	23,624
	Kraft Foods Inc Note	40,000 Units, 5.25%, Due 10/1/13	44,127	43,728
	Kraft Foods Inc Note	40,000 Units, 6.125%, Due 2/1/18	47,377	45,692
	Kroger Co Senior Note	15,000 Units, 6.75%, Due 4/15/12	15,936	16,013
	Lockheed Martin Corp Deb	10,000 Units, 7.65%, Due 5/1/16	11,305	12,171
	Marsh & McLennan Cos Inc Senior Note	35,000 Units, 5.375%, Due 7/15/14	34,009	37,233
	Merck & Co Inc Senior Note	70,000 Units, 4.0%, Due 6/30/15	77,690	75,103
	Merrill Lynch Note	75,000 Units, 6.875%, Due 11/15/18	82,053	80,774
	Metlife Inc Senior Note	30,000 Units, 5.375%, Due 12/15/12	30,340	32,125
	Morgan Stanley Med Term Note	90,000 Units, 5.45%, Due 1/9/17	92,649	93,332
	Morgan Stanley Note	80,000 Units, 4.75%, Due 4/1/14	82,606	81,922
	Northrop Grumman Corp Senior Note	10,000 Units, 7.125%, Due 2/15/11	10,690	10,070
	Oracle Corp Note	55,000 Units, 5.75%, Due 4/15/18	60,156	62,917
	Pacific Gas & Electric Co Note	30,000 Units, 4.8%, Due 3/1/14	29,656	32,240
	Pricoa Gbl Funding I Med Term Note	100,000 Units, 5.4%, Due 10/18/12	99,801	107,067
	Procter & Gamble Co Note	50,000 Units, 4.95%, Due 8/15/14	50,259	55,542
	Procter & Gamble Co Note	35,000 Units, 4.70%, Due 2/15/19	36,583	37,887
	Progress Energy Inc Senior Note	20,000 Units, 6.85%, Due 4/15/12	21,870	21,423
	Prudential Financial Inc Med Term Note	20,000 Units, 5.10%, Due 9/20/14	21,314	21,483
	Raytheon Co Senior Note	95,000 Units, 3.125%, Due 10/15/20	94,492	87,599
	SLM Corp Note	40,000 Units, 5.00%, Due 10/1/13	40,000	40,104
	Target Corp Note	20,000 Units, 5.875%, Due 3/1/12	20,484	21,060
	Time Warner Inc Note	20,000 Units, 6.875%, Due 5/1/12	21,382	21,520
	Union Pacific Corp Note	30,000 Units, 5.75%, Due 11/15/17	30,973	33,684
	United Technologies Corp Note	30,000 Units, 4.875%, Due 5/1/15	30,217	33,210
	United Health Grp Inc Senior Note	10,000 Units, 4.875%, Due 3/15/15	9,735	10,688

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR
INVESTMENT PURPOSES AT YEAR END**

December 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(d) Cost	(e) Current Value
	Valero Logistics Operations LP Senior NT	45,000 Units, 6.875%, Due 7/15/12	47,066	48,298
	Verizon Communication Inc Note	45,000 Units, 5.55%, Due 2/15/16	49,148	50,441
	Verizon Global Funding Corp Note	35,000 Units, 7.375%, Due 9/1/12	38,579	38,643
	Wachovia Corp Note	75,000 Units, 5.25%, Due 8/1/14	79,768	79,987
	Wal Mart Stores Inc Note	30,000 Units, 4.125%, Due 2/15/11	29,023	30,127
	Wal Mart Stores Inc Note	30,000 Units, 5.80%, Due 2/15/18	33,664	34,471
	Wellpoint Inc Note	20,000 Units, 6.80%, Due 8/1/12	21,320	21,720
	Wells Fargo Co Sub Note	90,000 Units, 5.125%, Due 9/15/16	95,134	96,025
	Wells Fargo Co Senior Note	45,000 Units, 4.375%, Due 1/31/13	47,648	47,621
	Wyeth Senior Note	60,000 Units, 5.50%, Due 2/1/14	66,597	66,702
		Total Corporate Bonds	4,994,686	5,107,955
	Total Investments		58,718,029	65,540,997

* Party in Interest

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
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**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (ACQUIRED AND
DISPOSED OF WITHIN YEAR)**

December 31, 2010

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(c) Cost of Acquisitions	(d) Proceeds of Dispositions
Common Stocks			
Ingersoll Rand	761 Shares	23,926	28,316
Weatherford International Ltd	3,055 Shares	57,831	48,544
Abbott Labs	40 Shares	2,007	2,026
Amgen Inc	514 Shares	26,116	28,399
Bank of America Corp	5,231 Shares	82,284	67,114
Barrick Gold Corp	35 Shares	1,304	1,429
Chubb Corp	55 Shares	2,738	3,112
Colgate Palmolive Corp	23 Shares	1,397	1,935
Dr Pepper Snapple Group	60 Shares	2,189	2,219
Ebay Inc	7,130 Shares	160,488	185,486
Exelon Corp	1,056 Shares	44,794	43,869
Exxon Mobil Corp	883 Shares	58,230	58,550
Frontier Communications Corp	2,755.659 Shares	21,427	20,226
General Electric Co	12,466 Shares	196,436	214,451
Google Inc	117 Shares	62,107	68,863
H J Heinz Co	217 Shares	7,393	10,130
Hess Corp	18 Shares	1,086	952
JP Morgan Chase & Co	98 Shares	3,979	4,022
Johnson Controls Inc	442 Shares	12,833	13,641
Kellogg Co	835 Shares	44,288	41,015
Kraft Foods Inc	629 Shares	18,775	18,796
Kroger Co	3,624 Shares	75,850	76,503
Lockheed Martin Corp	677 Shares	51,576	50,854
Macys Inc	3,358 Shares	75,952	77,622
Mastercard Inc	681 Shares	170,200	138,802
McCafee Inc	2,977 Shares	110,060	140,812
Mead Johnson Nutrition Co	742 Shares	32,780	39,356
Metlife Inc	82 Shares	3,301	3,445

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (ACQUIRED AND
DISPOSED OF WITHIN YEAR)**

December 31, 2010

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(c) Cost of Acquisitions	(d) Proceeds of Dispositions
Monsanto Co Morgan Stanley Newmont Mining Corp Qualcomm Inc Qwest Communications International Inc Staples Inc Taiwan Semiconductor Mfg Co Teva Pharmaceutical Inds Ltd Time Warner Cable Inc Travelers Cos Inc Verizon Communications Inc Western Union Co Yahoo Inc	2,340 Shares 201 Shares 22 Shares 3,193 Shares 19,445 Shares 1,140 Shares 1,211 Shares 1,306 Shares 1,215 Shares 41 Shares 7,996 Shares 313 Shares 324 Shares	125,449 5,522 897 122,697 105,853 26,483 11,940 62,702 58,620 2,130 228,380 5,164 5,601	137,267 5,453 1,224 148,271 136,627 22,942 13,515 68,761 62,123 2,350 271,683 5,254 4,833
	Total Common Stocks	2,112,785	2,270,792
Foreign Bonds AmVesCap PLC Senior Note Anglo American Capital PLC Arcelormittal S A Fgn Sr Note Arcelormittal S A Fgn Sr Note Barclays Bank PLC Fgn Sr Note Barclays Bank PLC Fgn Sr Note Credit Suisse Ag Fgn Med Term Note Credit Suisse New York Fgn Med Term Note Electricite De France S A Fgn Note France Telecom S A Fgn Sr Note	20,000 Units, 5.625%, Due 4/17/12 225,000 Units, 4.45%, Due 9/27/20 600,000 Units, 9.85%, Due 6/1/19 135,000 Units, 5.25%, Due 8/5/20 300,000 Units, 5.0%, Due 9/22/16 300,000 Units, 5.125%, Due 1/8/20 120,000 Units, 3.50%, Due 3/23/15 230,000 Units, 4.375%, Due 8/5/20 250,000 Units, 4.60%, Due 1/27/20 70,000 Units, 2.125%, Due 9/16/15	20,200 227,726 742,139 132,920 307,593 297,549 119,809 229,706 248,910 69,628	20,800 233,468 753,420 133,625 306,770 297,111 124,264 230,562 248,600 71,033

**EMPLOYEES' RETIREMENT PLAN OF
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FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (ACQUIRED AND
DISPOSED OF WITHIN YEAR)**

December 31, 2010

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(c) Cost of Acquisitions	(d) Proceeds of Dispositions
Republic of Korea Fgn Sr Note Lloyds TSB Bank PLC Fgn Med Term Rio Tinto Finance USA Ltd Fgn Rio Tinto Fin USA Ltd Fgn Seagate Technology Intl Sr Note Shell International Finance B V Fgn Note Shell International Finance B V Fgn Note Telefonica Emisones S A U Fgn Sr Note Trans-Canada Pipelines Ltd Fgn Transocean Inc Fgn Sr Note Viterra Inc Fgn Sr Note Weatherford Intl Ltd Fgn Sr note XL Capital Ltd Fgn	20,000 Units, 4.25%, Due 6/1/13 400,000 Units, 4.375%, Due 1/12/15 5,000 Units, 6.50%, Due 7/15/18 70,000 Units, 9.0%, Due 5/1/19 220,000 Units, 10.00%, Due 5/1/14 220,000 Units, 1.875%, Due 3/25/13 100,000 Units, 4.375%, Due 3/25/20 195,000 Units, 3.729%, Due 4/27/15 165,000 Units, 3.80%, Due 10/1/20 95,000 Units, 4.95%, Due 11/15/15 220,000 Units, 5.95%, Due 8/1/20 175,000 Units, 5.125%, Due 9/15/20 110,000 Units, 6.50%, Due 12/31/49	18,906 399,984 5,567 615,056 259,050 219,738 99,528 195,000 164,576 94,951 219,413 174,759 85,799	20,788 400,976 5,961 628,788 258,500 219,855 98,552 195,450 166,630 95,933 215,751 180,905 85,937
	Total Foreign Bonds	4,948,507	4,993,679
Corporate Bonds Advance Auto Parts Inc Bond Alcoa Inc Note Alcoa Inc Note Altria Group Inc Note American Express Co Note Anadarko Petroleum Corp Sr Note Anheuser-Busch Cos Inc Note Anheuser-Busch Inbev Worldwide Note Wellpoint Inc Bond Bank of America Corp Note Bank of New York Co Inc Med Term Note Burlington Northern Santa Fe Note	222,000 Units, 5.75%, Due 5/1/20 35,000 Units, 5.72%, Due 2/23/19 155,000 Units, 5.87%, Due 2/23/22 310,000 Units, 4.125%, Due 9/11/15 5,000 Units, 6.15%, Due 8/28/17 135,000 Units, 6.375%, Due 9/15/17 5,000 Units, 5.50%, Due 1/15/18 120,000 Units, 5.00%, Due 4/15/20 5,000 Units, 6.80%, Due 8/1/12 5,000 Units, 4.50%, Due 8/1/10 80,000 Units, 4.95%, Due 11/1/12 5,000 Units, 7.125%, Due 12/15/10	224,643 35,538 147,130 308,679 5,373 135,000 5,255 119,257 5,330 5,100 86,328 5,400	230,856 35,470 141,160 308,138 5,842 146,493 5,654 120,193 5,555 5,000 85,928 5,000

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (ACQUIRED AND
DISPOSED OF WITHIN YEAR)**

December 31, 2010

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(c) Cost of Acquisitions	(d) Proceeds of Dispositions
Caterpillar Inc Note Chase Mtg Finance Corp CMO	5,000 Units, 7.90%, Due 12/15/18	6,200	6,398
	44,187.45 Units, FL RT%, Due 12/25/35	44,326	1,795
Cisco Systems Inc Sr Note	5,000 Units, 5.25%, Due 2/22/11	5,211	5,045
Citigroup Inc Sr Note	115,000 Units, 8.50%, Due 5/22/19	134,338	134,702
Citigroup Inc Sr Note	160,000 Units, 5.375%, Due 8/9/20	158,392	160,000
Credit Suisse First Boston USA Note	10,000 Units, 5.125%, Due 1/15/14	10,817	11,099
DirectTv Hldgs Sr Note	630,000 Units, 7.625%, Due 5/15/16	686,738	688,493
DirectTv Hldgs Sr Note	210,000 Units, 5.20%, Due 3/15/20	209,658	210,321
Energy Transfer Partners Sr Note	135,000 Units, 6.125%, Due 2/15/17	147,037	148,295
Energy Transfer Partners L P Sr Note	150,000 Units, 6.70%, Due 7/1/18	168,908	169,464
Enterprise Prods Operating LLC Sr Bond	245,000 Units, 5.20%, Due 9/1/20	244,267	253,497
Expedia Inc Sr Note	335,000 Units, 8.50%, Due 7/1/16	373,338	365,860
Fidelity Natl Financial Inc Note	600,000 Units, 6.60%, Due 5/15/17	59,938	59,955
Franklin Resources Inc Sr Note	160,000 Units, 2.00%, Due 5/20/13	159,717	163,637
Gannett Co Inc Sr note	255,000 Units, 8.75%, Due 11/15/14	276,081	273,488
General Electric Cap Corp Med Term Note	145,000 Units, 5.55%, Due 5/4/20	149,672	157,052
General Electric Cap Corp Med Term Note	50,000 Units, 5.625%, Due 5/1/18	5,130	5,498
Goldman Sachs Group Med Term Note	333,000 Units, 5.375%, Due 3/15/20	328,316	324,267
Goldman Sachs Group Med Term Note	270,000 Units, 6.0%, Due 6/15/20	291,838	289,634
Goldman Sachs Group Inc Bond	5,000 Units, 6.875%, Due 1/15/11	5,241	5,140
HSBC Finance Corp Note	5,000 Units, 6.75%, Due 5/15/11	5,301	5,145
HSBC Finance Corp Note	35,000 Units, 5.0%, Due 6/30/15	37,523	38,281
Hartford Finl Svcs Group Inc Sr Note	210,000 Units, 5.50%, Due 3/30/20	208,981	207,797
JP Morgan Chase & Co Sr Note	10,000 Units, 6.0%, Due 1/15/18	10,781	11,602
Kraft Foods Inc Note	45,000 Units, 6.125%, Due 2/1/18	48,498	48,102
L-3 Communications Corp Sr Bond	155,000 Units, 4.75%, Due 7/15/20	154,502	158,934
Life Technologies Corp Sr Note	245,000 Units, 6.0%, Due 3/1/20	249,559	251,335
MDC Holdings Inc Sr Note	150,000 Units, 5.625%, Due 2/1/20	144,000	143,513

**EMPLOYEES' RETIREMENT PLAN OF
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**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (ACQUIRED AND
DISPOSED OF WITHIN YEAR)**

December 31, 2010

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(c) Cost of Acquisitions	(d) Proceeds of Dispositions
Metlife Inc Sr Note	200,000 Units, 2.375%, Due 2/16/14	199,734	199,602
Microsoft Corp Sr Note	175,000 Units, 1.625%, Due 9/25/15	174,232	170,207
Microsoft Corp Sr Bond	335,000 Units, 3.0%, Due 10/1/20	332,106	336,229
Morgan Stanley Med Term Note	130,000 Units, 5.50%, Due 1/26/20	127,843	125,471
Motorola Inc Sr Note	617,000 Units, 6.0%, Due 11/15/17	636,810	681,493
NBC Universal Inc Sr Bond	435,000 Units, 4.375%, Due 4/1/21	435,973	442,049
National Rural Utils Coop Fin Note	50,000 Units, 10.375%, Due 11/1/18	71,718	68,422
Oracle Corp Note	5,000 Units, 5.75%, Due 4/15/18	5,469	5,636
Owens Corning Inc Sr Note	365,000 Units, 6.50%, Due 12/1/16	373,500	386,400
Pepsico Inc Sr Bond	130,000 Units, 3.125%, Due 11/1/20	128,917	127,787
Phillips Petroleum Co Note	5,000 Units, 8.75%, Due 5/25/10	5,518	5,000
Plains All American Pipeline LP Bond	155,000 Units, 6.50%, Due 5/1/18	170,385	170,260
Progress Energy Inc Sr Note	15,000 Units, 6.85%, Due 4/15/12	16,402	16,221
Qwest Corp Sr Note	275,000 Units, 8.375%, Due 5/1/16	311,676	323,375
Regions Financial Corp Sr Note	150,000 Units, 4.875%, Due 4/26/13	149,097	149,843
Rockies Express Pipeline LLC Sr Note	135,000 Units, 3.90%, Due 4/15/15	134,916	133,392
Safeway Inc Sr Bond	270,000 Units, 3.95%, Due 8/15/20	268,801	271,415
St Jude Medical Inc Sr Note	220,000 Units, 2.20%, Due 9/15/13	219,824	219,556
Schering-Plough Corp Sr Note	35,000 Units, 6.0%, Due 9/15/17	39,895	42,254
Suntrust Bank Med Term Note	115,000 Units, 7.25%, Due 3/15/18	123,072	125,808
Time Warner Cable Inc Sr Note	320,000 Units, 8.25%, Due 4/1/19	383,920	382,234
Valero Energy Corp Sr Note	210,000 Units, 6.125%, Due 2/1/20	208,675	212,042
Verizon Communications Inc Note	15,000 Units, 5.55%, Due 2/15/16	16,383	17,559
Vornado Realty L P Sr Note	195,000 Units, 4.25%, Due 4/1/15	194,640	200,257
Wal-Mart Stores Inc Sr Note	285,000 Units, 3.625%, Due 7/8/20	284,738	283,817
Wells Fargo & Co Sr Note	90,000 Units, 4.375%, Due 1/31/13	95,372	95,607
Weyerhaeuser Co Deb	110,000 Units, 6.95%, Due 8/1/17	115,256	118,819
Williams Partners LP/Fin Corp Sr Note	685,000 Units, 7.25%, Due 2/1/17	779,756	783,812
XTO Energy Inc Sr Note	180,000 Units, 5.50%, Due 6/15/18	207,535	207,430

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM
FEI # 34-0714456, PLAN # 002**

**SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (ACQUIRED AND
DISPOSED OF WITHIN YEAR)**

December 31, 2010

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(c) Cost of Acquisitions	(d) Proceeds of Dispositions
XTO Energy Inc Sr Note Xcel Energy Inc Sr Bond	477,000 Units, 6.50%, Due 12/15/18 185,000 Units, 4.70%, Due 5/15/20	575,429 184,399	595,909 184,163
	Total Corporate Bonds	12,379,332	12,475,707
Total Investments		19,440,624	19,740,178

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 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **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 EMPLOYEES' RETIREMENT PLAN OF MEDCENTRAL HEALTH SYSTEM	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF MEDCENTRAL HEALTH SYSTEM	D Employer Identification Number (EIN) 34-0714456	
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>2010</u>			
2 Assets:			
a Market value	2a		58,848,986
b Actuarial value	2b		59,970,093
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	416	10,116,867
b For terminated vested participants	3b	809	11,721,460
c For active participants:			
(1) Non-vested benefits	3c(1)		351,970
(2) Vested benefits	3c(2)		36,780,476
(3) Total active	3c(3)	2,236	37,132,446
d Total	3d	3,461	58,970,773
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	6.65 %	
6 Target normal cost	6	2,980,282	

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	 Signature of actuary MECHAN E. SCHAFFERNOCKER Type or print name of actuary	Oct. 7, 2011 Date 11-06493 Most recent enrollment number (614) 227-5567 Telephone number (including area code)
MERCER Firm name		
325 JOHN H. MCCONNELL BOULEVARD SUITE 350 COLUMBUS OH 43215-7644 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.

Schedule SB (Form 5500) 2010
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>21.03</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		253,252
b Interest on (a) using prior year's effective rate of <u>6.26</u> %		15,854
c Total available at beginning of current plan year to add to prefunding balance		269,106
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	101.69 %
15 Adjusted funding target attainment percentage	15	101.69 %
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	90.00 %
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
01/25/2010	642,820		01/27/2011	638,400	
03/19/2010	642,820		03/21/2011	638,400	
05/21/2010	642,820		05/23/2011	638,400	
07/16/2010	642,820		07/26/2011	638,400	
09/23/2010	642,820		09/15/2011	598,400	
11/19/2010	642,820				
Totals ▶			18(b)	7,008,920	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	6,610,306

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: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	1,980,962
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
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	1,980,962
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	1,980,962
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c)	37	6,610,306
38 Interest-adjusted excess contributions for current year (see instructions)	38	4,629,344
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

Schedule SB, Line 19 —Discounted Employer Contributions

Date	Amount contributed	Plan year	Applicable effective interest rate	Discounted value of January 1, 2010
1/25/2010	321,410	2010	6.65%	320,052
2/19/2010	321,410	2010	6.65%	318,644
3/19/2010	321,410	2010	6.65%	317,074
4/16/2010	321,410	2010	6.65%	315,512
5/21/2010	321,410	2010	6.65%	313,570
6/18/2010	321,410	2010	6.65%	312,025
7/16/2010	321,410	2010	6.65%	310,488
8/20/2010	321,410	2010	6.65%	308,577
9/23/2010	321,410	2010	6.65%	306,732
10/26/2010	321,410	2010	6.65%	304,952
11/19/2010	321,410	2010	6.65%	303,663
12/20/2010	321,410	2010	6.65%	302,008
1/27/2011	319,200	2010	6.65%	297,927
2/22/2011	319,200	2010	6.65%	296,564
3/21/2011	319,200	2010	6.65%	295,155
4/25/2011	319,200	2010	6.65%	293,338
5/23/2011	319,200	2010	6.65%	291,893
6/20/2011	319,200	2010	6.65%	290,455
7/26/2011	319,200	2010	6.65%	288,617
8/30/2011	319,200	2010	6.65%	286,840
9/15/2011	598,400	2010	6.65%	536,220
Total	\$7,008,920			\$6,610,306

Schedule SB, Line 22 —Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A)	(B)	(C)	(D)	(E)
Age	Retirement Rate	Lx	Number of employees expected to retire (B) x (C)	(A) x (D)
55	3.00%	10,000	300	16,500
56	3.00%	9,700	291	16,296
57	3.00%	9,409	282	16,074
58	3.00%	9,127	274	15,892
59	3.00%	8,853	266	15,694
60	5.00%	8,587	429	25,740
61	5.00%	8,158	408	24,888
62	25.00%	7,750	1,938	120,156
63	15.00%	5,812	872	54,936
64	20.00%	4,940	988	63,232
65	50.00%	3,952	1,976	128,440
66	20.00%	1,976	395	26,070
67	10.00%	1,581	158	10,586
68	10.00%	1,423	142	9,656
69	10.00%	1,281	128	8,832
70	100.00%	1,153	1,153	80,710
		Total	10000	633,702
Average Retirement Age				63.37

Note: Column (D) is the product of columns (B) and (C). Column (E) is the product of columns (A) and (D). The average retirement age is the total from column (E) divided by the total from column (D).

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions****Discount rate sponsor elections**

▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	4
▪ First 5 years	5.03%
▪ Next 15 years	6.73%
▪ Over 20 years	6.82%

Mortality sponsor elections

▪ Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA
▪ Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995
▪ Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits

417(e) lump sums

Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality

Non-417(e) lump sums

▪ Mortality table	Not applicable
▪ Interest rate	Not applicable

Cash balance plans

▪ Interest accumulation rate	5.25% (4.49% in 2010)
▪ Whipsaw calculations	No
▪ Annuity conversion	
— Mortality table	Not applicable
— Interest rate basis	Not applicable

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Other economic assumptions**

- | | |
|------------------------------|---|
| ▪ Wage increase | 2.25% for 2010, then reverting back to age-based table for future years (see table of sample rates) |
| ▪ Social Security wage base | 4.50% per year |
| ▪ Inflation | 3.50% per year |
| ▪ Expected investment return | 7.50% per year for years 2008 through 2010 |
| ▪ Expenses | Prior year actual expenses, adjusted for interest.
\$477,804 added to current year normal cost |

Demographic assumptions

- | | |
|------------------------|---|
| ▪ Withdrawal | 2003 SOA Pension Plan Turnover Study – Select and Ultimate Table with adjustment. See table of sample rates |
| ▪ Disability incidence | See table of sample rates |

▪ Retirement age	Attained age	Annual Percentage
	55-59	3%
	60-61	5%
	62	25%
	63	15%
	64	20%
	65	50%
	66	20%
	67-69	10%
	70	100%

▪ Benefit commencement age for		
– Future vested deferred	60	
– Current vested deferred	60	

▪ Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
– Percentage married	80%	80%
– Spouse age difference	3 years younger	3 years older

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment	<u>Lump sum</u>	<u>Single life</u>	<u>75% J&S</u>
▪ Active retirements	100%	0%	0%
▪ Future vested deferred	100%	0%	0%
▪ Future disabilities	100%	0%	0%
▪ Future deaths	100%	0%	0%
▪ Current vested deferred			
– with a Mansfield Plan benefit	0%	70%	30%
– with only a cash balance benefit	100%	0%	0%
Unpredictable contingent event assumptions	Not applicable		

Table of sample rates

Withdrawal Rates		
Attained Age	Length of Service Under 5 Years	Length of Service 5+Years
20	19.60%	11.65%
25	16.10%	8.67%
30	13.00%	6.04%
35	11.80%	5.10%
40	10.80%	4.68%
45	9.80%	4.25%
50	9.20%	3.83%
55	8.70%	3.40%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Disability Rates**

Attained Age	Males	Females
20	0.03%	0.03%
25	0.04%	0.05%
30	0.05%	0.08%
35	0.07%	0.14%
40	0.12%	0.21%
45	0.20%	0.32%
50	0.36%	0.53%
55	0.72%	0.95%
60	1.26%	1.16%

Earnings Progression*

Attained Age	Percentage Increase at Attained Age
20	6.50%
25	6.00%
30	5.50%
35	5.00%
40	4.50%
45	4.00%
50	3.50%
55	3.00%
60	3.00%

*2.25% for 2010, then reverting back to age-based table for 2011 onwards.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial methods

Asset methods

The asset valuation method is an average of the adjusted market value for each year during the last 2 years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date.
- **Insurance contracts:** The plan does not have any insurance contracts.
- **Disabled participants:** The liabilities for participants on long-term disability have been included with the liabilities for terminated vested participants.
- **Estimated benefits:** We estimated benefits for the terminated vested participants when exact termination calculations were not provided to us.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.

- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Maximum suggested contribution method

Calculations of maximum suggested contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's **projected funding target** is the present value of benefits based on credited service as of the beginning of the plan year and projected compensation that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the projected funding target for an individual is the sum of the component projected funding targets associated with the various anticipated separation dates.
- The plan's **projected funding target** is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target is included in the "cushion amount."

Schedule SB, Part V — Summary of Plan Provisions**Benefits included or excluded**

Unless noted below, all benefits provided by the plan, as restated and amended through January 1, 2008 are included in this valuation.

- **Plan amendments:** Amendments adopted after the valuation date or effective after the current plan year are excluded from the valuation.
- **Late retirement increases:** The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70 ½. This valuation does not include increases for current participants over age 70.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). The funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Summary of major plan provisions

Effective date and plan year	Original plan: July 1, 1965 Restated plan: January 1, 2007 Plan year: January 1 – December 31
Status of the plan	The plan has ongoing benefit accruals and new employees are eligible to participate in the plan once they satisfy the participation requirements.
Significant events that occurred during the year	None

Definitions

▪ Covered employees	Employees of MedCentral Health System
▪ Participation	An employee is eligible as of the January 1 or July 1 after attaining age 21 and completing a year of employment with at least 1,000 hours of service.
▪ Employee contributions	Not applicable
▪ Vesting service	An employee shall receive one (1) year for each calendar year that he or she is credited with at least 1,000 hours of service.

Schedule SB, Part V — Summary of Plan Provisions

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| ▪ Pensionable earnings | Total salary or wages including bonuses, overtime pay, overtime premium, shift differential, on-call or call-in pay and other paid time off, Code Section 403(b) deferrals, and clergy housing allowances. |
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Normal retirement

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|---------------|--|
| ▪ Eligibility | For those who become participants after January 1, 1997, the last day of the month in which an employee attains age 65 or the fifth anniversary of his or her participation if later. For those who were participants on or before January 1, 1997, the last day of the month in which an employee attains age 65. |
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| ▪ Benefit | <p>Benefit: An Account Balance is established for each plan participant. This account is credited as of January 1, 1997 with an Initial Account Balance and with Compensation Credits and Interest Credits at the end of each plan year thereafter.</p> |
|-----------|--|

Initial Account Balance: The Account Balance of any participant of the prior plan will be credited with an amount equal to the actuarial equivalent of the participant's prior plan benefit based on the accrued benefit determined under the terms of the Plan in effect on December 31, 1996.

Compensation Credits: If a participant is credited with at least 1,000 hours of service during a Plan Year, at the end of that Plan Year or upon termination of employment, the participant's Account Balance will be credited with the amount stated in the table below:

<u>Age at last birthday</u>	<u>Compensation credit</u>
Under 30	2.5%
30 - 39	3.0%
40 - 49	4.0%
50 - 59	5.0%
60 or older	6.0%

Interest Credit: As of the last day of each Plan Year, a participant's Account Balance will be credited with interest equal to the product of the participant's Account Balance multiplied by the average return on 30-Year Treasury bills for the preceding December.

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
▪ Eligibility	Attainment of age 55 and completion of three (3) or more years of Eligibility Service.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the Early Retirement Date.
Late retirement	
▪ Eligibility	The first day of the month subsequent to the member's normal retirement date and following termination of employment.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the Late Retirement Date.
Deferred vested	
▪ Eligibility	Completion of three (3) years of Eligibility Service.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the date of termination. Interest Credits are credited to the Account Balance up until the balance is distributed.
Disability	
▪ Eligibility	Completion of fifteen (15) years of Eligibility Service and total and permanent disability.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the date of disability. Interest Credits are credited to the Account Balance up until the balance is distributed.
Pre-retirement death	
▪ Eligibility	If a participant dies after becoming vested but before retiring, the surviving spouse or beneficiary is entitled to a pre-retirement death benefit.
▪ Benefit prior to early retirement	Calculated as if the deceased participant had terminated on the date before death and elected the joint and 50% form of payment as of the earliest possible retirement date. The surviving spouse may elect to receive 50% of the deceased participant's Account Balance in lieu of the monthly benefit. The beneficiary or estate of an unmarried participant shall receive 50% of the participant's Account Balance upon the participant's death.

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
▪ Automatic form for unmarried participants	A monthly life annuity.
▪ Automatic form for married participants	Joint and 50% Survivor annuity.
▪ Optional forms	▪ Life Only ▪ Life and Ten Years Certain ▪ Joint and 50% Survivor ▪ Joint and 75% Survivor ▪ Joint and 100% Survivor ▪ Lump Sum
▪ Optional form conversion factors	417(e) assumptions for lump sums. Optional forms of benefit other than the lump sum are based upon the 1984 Unisex Pension Table (with the participant's age set-back 3 years) and an interest rate of 6.0%.
Miscellaneous	
▪ Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2010, the limit is \$245,000.
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2010, the limit is \$195,000.

Schedule SB, Part V — Summary of Plan Provisions

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- | | |
|---------------------|--|
| ▪ Amendment History | <ul style="list-style-type: none">▪ January 1, 1997 - Convert to Cash Balance Plan▪ January 1, 2000 - Increased interest credits to 8% for plan years 1997 through 1999.▪ January 1, 2002 – Increased compensation limit pursuant to EGTRRA.▪ December 31, 2002 – Convert Account Balances to monthly benefits and calculate lump sums based on the 1994 GAR projected to 2002 (unloaded and blended 50% male/50% female)▪ March 28, 2005 – The threshold for mandatory lump sum payments was lowered from \$5,000 to \$1,000 with optional lump sum payments available for payouts between \$1,000 and \$5,000 if requested during the 90-day election period.▪ January 1, 2007 – Plan restatement.▪ January 1, 2008 – PPA required 100% vesting for cash balance plans after three years of vesting service. MedCentral expanded upon this and updated their early retirement eligibility to 55 and three (3) years of vesting service. PPA benefit restriction provisions and increase election period to 180 days. |
|---------------------|--|
-

Schedule SB, Part V — Summary of Plan Provisions***Minimum benefit provisions for eligible employees as of December 31, 1996*****Definitions**

▪ Continuous service	Elapsed time from hire date through January 1, 1976 plus one year of such service after January 1, 1976 for each Plan Year in which an employee works at least 1,000 hours.
▪ Continuous benefit service	One year for each full Plan Year prior to termination in which a participant worked 501 or more hours, but less than 1,000 hours, plus a portion of a year for the year of hire and/or year of termination if applicable.
▪ Credited service	(a) Prior to January 1, 1976 - number of years at Continuous Service; (b) January 1, 1976 to December 31, 1983 - 1/10th of a year for each 200 hours worked in each Plan year not to exceed one (1); (c) January 1, 1984 and later - 1/10th of a year for each 190 hours worked in each Plan Year, not to exceed one (1).
▪ Compensation considered	Total salary or wages including bonuses, overtime pay, overtime premium, shift differential, on-call or call-in pay and other paid time off, Code Section 403(b) deferrals, and clergy housing allowances.
▪ Final average monthly compensation	Monthly Average Compensation for the five (5) highest paid consecutive calendar years of the ten (10) calendar years prior to the earlier of (a) the calendar year of termination or retirement or (b) December 31, 2000. For terminations or retirements on the last day of a calendar year, the final year is used in the average.
▪ Covered compensation	The average of the Social Security Taxable Wage Bases in effect for each calendar year during the 35-year period ending with the earlier of (a) the last day of the calendar year in which the employee attains Social Security Retirement Age or (b) December 31, 2000.

Normal retirement

▪ Eligibility	The last day of the month in which an employee attained age 65.
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Schedule SB, Part V — Summary of Plan Provisions

▪ Benefit	A monthly benefit in the amount of the greater of (i), (ii) or (iii) below: (i) 0.9% of final Average Monthly Compensation up to Covered Compensation, plus 1.45% of Final Average Monthly Compensation in excess of Covered Compensation; the sum multiplied by years of continuous Benefit Service at retirement (not to exceed 30 years). (ii) 1.0% of Final Average Monthly Compensation (up to \$2,667 per month) multiplied by years of Continuous Benefit Service at retirement (not to exceed 30 years). (iii) \$12.00 multiplied by years of Credited Service at retirement.
Early retirement	
▪ Eligibility	Attainment of age 55 and completion of ten (10) or more years of Eligibility Service.
▪ Benefit	Same as Normal Retirement Benefit taking into account only service through Early Retirement, reduced 1/12th of 5% for each month that benefit commencement precedes Normal Retirement.
Late retirement	
▪ Eligibility	Termination of employment following Normal Retirement Benefit Eligibility.
▪ Benefit	Same as Normal Retirement benefit including service after Normal Retirement.
Deferred vested	
▪ Eligibility	Termination of employment after completion of five (5) years of Eligibility Service.
▪ Benefit	Same as Normal Retirement Benefit taking into account only service through termination (payable at Normal Retirement Age).
Disability	
▪ Eligibility	Termination of employment due to permanent and total disability after fifteen (15) years of Eligibility Service.
▪ Benefit	Same as Early Retirement Benefit, with further actuarial reduction for commencement prior to age 65.

Schedule SB, Part V — Summary of Plan Provisions**Pre-retirement death**

- | | |
|-------------------------------------|--|
| ▪ Eligibility | A married vested participant who dies shall be eligible for a death benefit. |
| ▪ Benefit prior to early retirement | The amount of the death benefit shall be the monthly pension due to the spouse had the joint and 50% survivor option been elected immediately before the death of the participant. |

Form of benefits

- | | |
|---|--|
| ▪ Automatic form for unmarried participants | A monthly life annuity. |
| ▪ Automatic form for married participants | Joint and 50% Survivor annuity. |
| ▪ Optional forms | <ul style="list-style-type: none"> ▪ Life Only ▪ Life and Ten Years Certain ▪ Joint and 50% Survivor ▪ Joint and 75% Survivor ▪ Joint and 100% Survivor ▪ Lump Sum |

Plan provision changes since prior valuation

Maximum compensation and maximum benefits were updated from 2009 to 2010 although the limits did not change, so there was no impact on the results.

Schedule SB, Line 24 — Change in Actuarial Assumptions

- Interest discounts and mortality rates were updated from 2009 to 2010 in accordance with PPA.
- Expense normal cost increased from \$414,118 to \$477,804 to reflect our expectations for the current plan year.
- Expected wage increases were changed from 0.00% for 2009 and the age-based table onwards to 2.25% in 2010 and the same age-based table onwards.

Schedule SB, Line 25 — Change in Method

The minimum funding method was changed in 2010 to allow for negative normal cost for an individual.

Schedule SB, Line 26 — Schedule of Active Participant Data

Attained age	Years of credited service									
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up
< 25		65 28,499 1,420	1							
25 - 29		136 33,782 2,129	61 35,115 5,261	2						
30 - 34		93 34,499 2,579	104 43,499 8,505	35 42,010 12,704						
35 - 39		74 35,948 2,821	102 39,558 8,440	92 49,315 16,306	20 46,336 19,772					
40 - 44		61 36,891 3,878	89 42,114 10,605	49 44,671 16,842	34 46,929 20,088	32 47,448 22,945				
45 - 49		80 43,428 4,442	85 41,602 11,380	45 40,265 18,381	33 44,941 24,279	44 45,922 27,072	27 48,803 31,644	7		
50 - 54		51 41,427 4,983	81 41,997 12,902	57 44,216 19,927	36 52,613 31,944	37 51,747 37,107	40 48,136 37,799	42 57,753 50,094	3	
55 - 59		41 36,909 3,999	57 39,807 15,111	40 35,459 21,673	33 54,170 37,797	34 49,557 42,106	23 52,142 47,340	33 55,059 56,515	25 52,869 61,108	
60 - 64		16	37 36,723 15,676	25 35,614 24,606	21 46,806 40,000	25 54,203 51,598	13	16	11	5
65 - 69		7	13	6	4	6	4	2	1	2
70+		3	3	4	3	2	2			1

In each cell, the top number is the count of active participants for each age/service combination. The middle number is average pay for 2009 limited to \$245,000. The bottom number is the average cash account balance. Average pay and cash balance accounts are not shown for cells with fewer than 20 participants.

Schedule SB, Line 26 — Schedule of Active Participant Data

Years of credited service										
Attained age	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up
< 25		65 28,499 1,420	1							
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55 - 59		41 36,909 3,999	57 39,807 15,111	40 35,459 21,673	33 54,170 37,797	34 49,557 42,106	23 52,142 47,340	33 55,059 56,515	25 52,869 61,108	
60 - 64		16 36,723 15,676	37 36,723 15,676	25 35,614 24,606	21 46,806 40,000	25 54,203 51,598	13	16	11	5
65 - 69		7	13	6	4	6	4	2	1	2
70+		3	3	4	3	2	2			1

In each cell, the top number is the count of active participants for each age/service combination. The middle number is average pay for 2009 limited to \$245,000. The bottom number is the average cash account balance. Average pay and cash balance accounts are not shown for cells with fewer than 20 participants.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions****Discount rate sponsor elections**

▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	4
▪ First 5 years	5.03%
▪ Next 15 years	6.73%
▪ Over 20 years	6.82%

Mortality sponsor elections

▪ Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA
▪ Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995
▪ Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits

417(e) lump sums

Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality

Non-417(e) lump sums

▪ Mortality table	Not applicable
▪ Interest rate	Not applicable

Cash balance plans

▪ Interest accumulation rate	5.25% (4.49% in 2010)
▪ Whipsaw calculations	No
▪ Annuity conversion	
– Mortality table	Not applicable
– Interest rate basis	Not applicable

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Other economic assumptions**

- | | |
|------------------------------|---|
| ▪ Wage increase | 2.25% for 2010, then reverting back to age-based table for future years (see table of sample rates) |
| ▪ Social Security wage base | 4.50% per year |
| ▪ Inflation | 3.50% per year |
| ▪ Expected investment return | 7.50% per year for years 2008 through 2010 |
| ▪ Expenses | Prior year actual expenses, adjusted for interest.
\$477,804 added to current year normal cost |

Demographic assumptions

- | | |
|------------------------|---|
| ▪ Withdrawal | 2003 SOA Pension Plan Turnover Study – Select and Ultimate Table with adjustment. See table of sample rates |
| ▪ Disability incidence | See table of sample rates |

▪ Retirement age	<table border="1"> <thead> <tr> <th>Attained age</th> <th>Annual Percentage</th> </tr> </thead> <tbody> <tr><td>55-59</td><td>3%</td></tr> <tr><td>60-61</td><td>5%</td></tr> <tr><td>62</td><td>25%</td></tr> <tr><td>63</td><td>15%</td></tr> <tr><td>64</td><td>20%</td></tr> <tr><td>65</td><td>50%</td></tr> <tr><td>66</td><td>20%</td></tr> <tr><td>67-69</td><td>10%</td></tr> <tr><td>70</td><td>100%</td></tr> </tbody> </table>	Attained age	Annual Percentage	55-59	3%	60-61	5%	62	25%	63	15%	64	20%	65	50%	66	20%	67-69	10%	70	100%
Attained age	Annual Percentage																				
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66	20%																				
67-69	10%																				
70	100%																				

▪ Benefit commencement age for	
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– Future vested deferred	60
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– Current vested deferred	60
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▪ Spouse assumptions	<table border="1"> <thead> <tr> <th>Male participants</th> <th>Female participants</th> </tr> </thead> <tbody> <tr> <td>80%</td> <td>80%</td> </tr> <tr> <td>3 years younger</td> <td>3 years older</td> </tr> </tbody> </table>	Male participants	Female participants	80%	80%	3 years younger	3 years older
Male participants	Female participants						
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Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment	<u>Lump sum</u>	<u>Single life</u>	<u>75% J&S</u>
▪ Active retirements	100%	0%	0%
▪ Future vested deferred	100%	0%	0%
▪ Future disabilities	100%	0%	0%
▪ Future deaths	100%	0%	0%
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– with a Mansfield Plan benefit	0%	70%	30%
– with only a cash balance benefit	100%	0%	0%
Unpredictable contingent event assumptions Not applicable			

Table of sample rates**Withdrawal Rates**

Attained Age	Length of Service Under 5 Years	Length of Service 5+Years
20	19.60%	11.65%
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50	9.20%	3.83%
55	8.70%	3.40%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Disability Rates		
Attained Age	Males	Females
20	0.03%	0.03%
25	0.04%	0.05%
30	0.05%	0.08%
35	0.07%	0.14%
40	0.12%	0.21%
45	0.20%	0.32%
50	0.36%	0.53%
55	0.72%	0.95%
60	1.26%	1.16%

Earnings Progression*	
Attained Age	Percentage Increase at Attained Age
20	6.50%
25	6.00%
30	5.50%
35	5.00%
40	4.50%
45	4.00%
50	3.50%
55	3.00%
60	3.00%

*2.25% for 2010, then reverting back to age-based table for 2011 onwards.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial methods

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The asset valuation method is an average of the adjusted market value for each year during the last 2 years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

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- **Insurance contracts:** The plan does not have any insurance contracts.
- **Disabled participants:** The liabilities for participants on long-term disability have been included with the liabilities for terminated vested participants.
- **Estimated benefits:** We estimated benefits for the terminated vested participants when exact termination calculations were not provided to us.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.

- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Maximum suggested contribution method

Calculations of maximum suggested contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's **projected funding target** is the present value of benefits based on credited service as of the beginning of the plan year and projected compensation that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the projected funding target for an individual is the sum of the component projected funding targets associated with the various anticipated separation dates.
- The plan's **projected funding target** is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target is included in the "cushion amount."

Schedule SB, Line 25 — Change in Method

The minimum funding method was changed in 2010 to allow for negative normal cost for an individual.

Schedule SB, Line 24 — Change in Actuarial Assumptions

- Interest discounts and mortality rates were updated from 2009 to 2010 in accordance with PPA.
- Expense normal cost increased from \$414,118 to \$477,804 to reflect our expectations for the current plan year.
- Expected wage increases were changed from 0.00% for 2009 and the age-based table onwards to 2.25% in 2010 and the same age-based table onwards.

Schedule SB, Line 22 —Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A)	(B)	(C)	(D)	(E)
			Number of employees expected to retire	
Age	Retirement Rate	Lx	(B) x (C)	(A) x (D)
55	3.00%	10,000	300	16,500
56	3.00%	9,700	291	16,296
57	3.00%	9,409	282	16,074
58	3.00%	9,127	274	15,892
59	3.00%	8,853	266	15,694
60	5.00%	8,587	429	25,740
61	5.00%	8,158	408	24,888
62	25.00%	7,750	1,938	120,156
63	15.00%	5,812	872	54,936
64	20.00%	4,940	988	63,232
65	50.00%	3,952	1,976	128,440
66	20.00%	1,976	395	26,070
67	10.00%	1,581	158	10,586
68	10.00%	1,423	142	9,656
69	10.00%	1,281	128	8,832
70	100.00%	1,153	1,153	80,710
		Total	10000	633,702
Average Retirement Age				63.37

Note: Column (D) is the product of columns (B) and (C). Column (E) is the product of columns (A) and (D). The average retirement age is the total from column (E) divided by the total from column (D).

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM**

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM**

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Assets		
Investments at Fair Value:		
Mutual Funds	\$ 29,573,819	\$ 23,863,321
Common Stocks	10,690,894	11,590,694
Cash Equivalents	5,477,562	5,916,429
U.S. Government Securities	13,204,014	10,078,711
Corporate Bonds	5,107,955	6,591,548
Foreign Bonds	1,486,753	534,888
State and Municipal Bonds	<u>0</u>	<u>117,247</u>
Total Investments	65,540,997	58,692,838
Receivables:		
Contribution Receivable from Employer	3,152,000	0
Securities Sold	376,210	150,979
Accrued Investment Income	<u>165,635</u>	<u>154,084</u>
Total Assets	69,234,842	58,997,901
Liabilities		
Due to Broker for Securities Purchased	<u>320,718</u>	<u>148,915</u>
Net Assets Available for Benefits	<u><u>\$ 68,914,124</u></u>	<u><u>\$ 58,848,986</u></u>

The Accompanying Notes are an Integral Part of These Financial Statements.

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM**

**STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS**

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Additions to Net Assets Attributable to:		
Investment Income:		
Net Appreciation in Fair Value of Investments	\$ 5,370,330	\$ 8,733,404
Interest	737,235	869,676
Dividends	<u>457,543</u>	<u>501,913</u>
Total Investment Income	6,565,108	10,104,993
Employer Contributions	<u>7,008,920</u>	<u>4,273,297</u>
Total Additions	<u>13,574,028</u>	<u>14,378,290</u>
Deductions From Net Assets Attributable to:		
Benefits Paid to Participants	3,017,919	4,171,725
Other Expenses	<u>490,971</u>	<u>493,202</u>
Total Deductions	<u>3,508,890</u>	<u>4,664,927</u>
Net Increase	10,065,138	9,713,363
Net Assets Available for Benefits:		
Beginning of Year	<u>58,848,986</u>	<u>49,135,623</u>
End of Year	<u><u>\$ 68,914,124</u></u>	<u><u>\$ 58,848,986</u></u>

The Accompanying Notes are an Integral Part of These Financial Statements.

**EMPLOYEES' RETIREMENT PLAN OF
MEDCENTRAL HEALTH SYSTEM**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

NOTE A. DESCRIPTION OF PLAN

The following brief description of the Employees' Retirement Plan of MedCentral Health System (Plan) is provided for general information purposes only. Participants should refer to the Plan summary for more complete information.

1. **General** – Effective January 1, 1997, the Plan, formerly known as the Employees' Retirement Plan of Mansfield General Hospital (Mansfield Plan) was amended and restated to be a cash balance plan and to include the employees of Shelby Memorial Hospital and Crestline Memorial Hospital. Participants of the Crestline Memorial Hospital Employees' Pension Plan (Crestline Plan) and the Employees' Retirement Plan of Shelby Memorial Hospital (Shelby Plan) as of December 31, 1996 became members of the Plan on January 1, 1997. The actuarial equivalent of retirement benefits earned under the provisions of the Mansfield Plan became the opening balance in the cash balance account for each participant under the Plan. Plan participants were also granted benefit service time for service time earned under the provisions of the Mansfield Plan, the Crestline Plan, and the Shelby Plan. Shelby Memorial Hospital and Crestline Memorial Hospital were previously merged with Mansfield General Hospital to become MedCentral Health System (System).

The Plan covers substantially all employees of the System. Under the terms of the Plan, employees age 21 or older are eligible to participate in the Plan after completion of one year of employment, as defined. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). See Note D for the current tax status of the Plan.

The System makes annual allocations based on age and a percent of pay. Guaranteed interest credits are also allocated to each participant's cash balance account based on the return of 30-year U.S. Treasury notes in December of each plan year.

NOTE A. DESCRIPTION OF PLAN (Continued)

2. **Benefits** – Participants are eligible for normal retirement benefits on the first day of the month after the participant has reached age 65. The amount of individual pension benefits is determined by the participant's account balance at the time of retirement. Participants who were also participants in the Mansfield Plan may be eligible to receive additional benefits calculated based on years of service and compensation, as defined. The Plan also provides for early retirement, a termination benefit, and payments of benefits to a surviving spouse for participants with at least three years of eligibility service and disability benefits for participants with at least fifteen years of eligibility service.
3. **Contributions** – The Plan agreement provides that the System make contributions to the Plan Trustee, as determined annually by the consulting actuaries, Mercer Human Resource Consulting. Management believes the minimum funding requirements under ERISA for the years ended December 31, 2010 and 2009 have been met. No employee contributions are permitted.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Presentation** – The accompanying financial statements have been prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.
2. **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 assets, liabilities and changes therein, 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.
3. **Investment Valuation and Income Recognition** – Investments are stated at fair value as determined by the trustee. If available, quoted market prices are used to value investments. Purchases and sales 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.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. **Accumulated Plan Benefits** – Accumulated plan benefits are those future periodic payments 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) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.
5. **Cash Equivalents** – The Plan considers funds in the EB Money Market Fund to be cash equivalents, as they have an original maturity of less than 91 days.
6. **Payment of Benefits** – Benefit payments to participants are recorded upon distribution.

NOTE C. TRUSTEE CERTIFICATION

Key Trust Company of Ohio, N.A., the Trustee of the Plan, has been granted discretionary authority concerning purchases and sales of investments in the trust fund. The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator has obtained certification from the Trustee of the Plan that all of the information provided by them is complete and accurate. Information included in the accompanying financial statements as to investments in the trust fund administered by the Trustee, accrued investment income, investment income, and all information in the supplemental schedules is presented in reliance solely upon these certifications.

NOTE D. TAX STATUS

The plan obtained its latest determination letter on June 7, 2010, in which the Internal Revenue Service stated that the plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The plan has been amended since receiving the determination letter. However, the plan administrator and the plan's tax counsel believe that the plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

NOTE E. 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. 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 affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

NOTE F. FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits.

		Fair Value Measurements Using	
		Quoted Prices In Active Markets for Identical Assets Level 1	Observable Inputs Level 2
	Fair Value		
December 31, 2010			
Mutual funds	\$ 29,573,819	\$ 29,573,819	\$
Common stocks	10,690,894	10,690,894	
Cash equivalents	5,477,562	5,477,562	
U.S. government securities	13,204,014	13,204,014	
Corporate bonds	5,107,955	5,107,955	0
Foreign bonds	1,486,753	1,486,753	
Total	\$ 65,540,997	\$ 65,540,997	\$ 0

NOTE F. FAIR VALUE MEASUREMENTS (continued)

		Fair Value Measurements Using	
		Quoted Prices In Active Markets for Identical Assets Level 1	Observable Inputs Level 2
	<u>Fair Value</u>		
December 31, 2009			
Mutual funds	\$ 23,863,321	\$ 23,863,321	\$
Common stocks	11,590,694	11,590,694	
Cash equivalents	5,916,429	5,916,429	
U.S. government securities	10,078,711	10,078,711	
Corporate bonds	6,591,548	6,460,398	131,150
Foreign bonds	534,888	534,888	
State and municipal bonds	117,247	117,247	
Total	<u>\$ 58,692,838</u>	<u>\$ 58,561,688</u>	<u>\$ 131,150</u>

FASB ASC 820, Fair Value Measurements and Disclosures, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair values of common stock, most corporate bonds and debentures, state and municipal bonds, cash equivalents and U.S. government securities are based on quoted market prices.

Mutual funds are valued at net asset value. Underlying securities owned by these investments include publicly traded securities with readily determinable values. There are no known restrictions on redemptions.

NOTE F. FAIR VALUE MEASUREMENTS (continued)

Level 2 Fair Value Measurements

The fair value of the Plan's interest in some corporate bonds for which quoted market price are not available are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

NOTE G. INVESTMENTS

The following table presents the fair value of investments. Investments that represent 5% or more of the Plan's net assets are separately identified.

	<u>2010</u>	<u>2009</u>
Investments at fair value as determined by quoted market price:		
Mutual funds		
Ashton Optimum Mid Cap Fund	\$ <5% in 2010	\$ 3,078,975
Harbor International Fund	<5% in 2010	3,777,723
Thornburg Value Fund	3,959,423	<5% in 2009
Vanguard Morgan Growth Fund	5,412,968	<5% in 2009
Other	20,201,428	17,006,623
Common stocks	10,690,894	11,590,694
Cash equivalents:		
EB Money Market Fund	5,477,562	5,916,429
U.S. government securities:		
United States Treasury Notes dated 9/30/10, 1.25%, due 9/30/15	3,648,065	0
United States Treasury Notes dated 4/30/08, 2.125%, due 4/30/10	0	4,054,987
United States Treasury Notes dated 11/16/09, 3.375%, due 11/15/19	0	3,593,584
Other	9,555,949	2,430,140
Corporate bonds	5,107,955	6,460,398
Foreign bonds	1,486,753	534,888
State and municipal bonds	0	117,247
Investments at estimated fair value:		
Corporate bonds	0	131,150
Total	<u><u>\$ 65,540,997</u></u>	<u><u>\$ 58,692,838</u></u>

NOTE G. INVESTMENTS (Continued)

During 2010 and 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value by \$5,370,330 and \$8,733,404, respectively, as follows:

	<u>2010</u>	<u>2009</u>
Investments at fair value as determined by quoted market price:		
Mutual funds	\$ 3,950,556	\$ 6,184,401
Common stocks	1,106,695	2,550,788
U.S. government agencies	(3,008)	(698,118)
Corporate bonds	309,340	694,191
Foreign bonds	6,447	(4,322)
State and municipal bonds	300	6,464
Common/collective fixed income fund	<u>0</u>	<u>0</u>
Total	<u><u>\$ 5,370,330</u></u>	<u><u>\$ 8,733,404</u></u>

NOTE H. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

The actuarial present value of accumulated plan benefits as of January 1, 2010 and 2009 was determined by actuaries of Mercer Human Resource Consulting and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the probability of payment and the time value of money between the valuation date and the expected date of payment. The significant actuarial assumptions used to calculate the value of vested benefits and accrued benefits include:

- The assumed discount rate in 2010 and 2009 was 7.50% and 6.00%, respectively;
- Assumed rates of mortality, turnover, and disability based on published statistical data; and
- Administrative expenses will continue to be paid from trust earnings.

NOTE H. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (Continued)

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.

The total actuarial present value of accumulated benefits as of January 1, 2010 and 2009 is as follows:

	<u>2010</u>	<u>2009</u>
Vested benefits:		
Participants currently receiving payments	\$ 9,352,478	\$ 8,836,940
Other participants	44,625,013	43,739,968
Total vested benefits	53,977,491	52,576,908
Nonvested benefits	302,415	418,484
Total actuarial present value of accumulated plan benefits	<u>\$ 54,279,906</u>	<u>\$ 52,995,392</u>

The significant factors affecting the actuarial present value of accumulated plan benefits for the years ended January 1, 2010 and 2009 are as follows:

	<u>2010</u>	<u>2009</u>
Actuarial present value of plan benefits at beginning of year	\$ 52,995,392	\$ 50,116,730
Increase (decrease) due to:		
Interest	3,818,215	3,657,015
Benefits accumulated	2,385,497	2,239,378
Plan amendment	0	0
Change in actuarial assumptions	(747,473)	(304,659)
Benefits paid	(4,171,725)	(2,713,072)
Actuarial present value of plan benefits at end of year	<u>\$ 54,279,906</u>	<u>\$ 52,995,392</u>

NOTE H. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (Continued)

The changes in actuarial assumptions for the year ended January 1, 2010 are as follows:

The lump sum mortality was updated to reflect the 2010 Applicable Mortality Table prescribed by IRS Notice 2008-85.

The lump sum interest rates were updated to the applicable segment rates with a four month look-back period, without phase-in effective January 1, 2010.

The salary scale assumption was updated to 2.25% for 2010, and then reverting back to the previous age-based salary scale assumption in 2011 onwards.

The changes in actuarial assumptions for the year ended January 1, 2009 are as follows:

The lump sum mortality was updated to reflect the 2009 Applicable Mortality Table prescribed by IRS Notice 2008-65.

The salary scale assumption was updated to 0% for 2009, and then reverting back to the previous age-based salary scale assumption in 2010 and forward.

NOTE I. PLAN TERMINATION

Although it has not expressed any intention to do so, the System has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to provisions set forth in ERISA.

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:

1. Annuity benefits former employees or their surviving spouses 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.

NOTE I. PLAN TERMINATION (continued)

2. Other vested benefits insured by the Pension Benefit Guarantee Corporation (PBGC), up to the applicable limitations (discussed below).
3. All other vested benefits (that is, vested benefits not insured by the PBGC).
4. 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 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 on the amount of an individual's monthly benefit that the PBGC guarantees. The ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination, whichever comes later. For younger annuitants or for those who elect to receive their benefits in some form other than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at the time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

NOTE J. PARTY IN INTEREST TRANSACTIONS

Parties-in-interest are defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering services to the Plan, the employer and certain others. At December 31, 2010 and 2009, the Plan's cash equivalents of \$5,477,562 and \$5,916,429, respectively, are in a money market fund managed by Key Bank. Key Bank is the Plan trustee and, therefore, these investments qualify as party-in-interest investments.

NOTE K. ADMINISTRATION COSTS

The employer sponsoring this Plan has chosen to absorb some of the administration costs associated with this Plan.

NOTE L. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through October 13, 2011, the date the financial statements were available to be issued.

Between December 31, 2010 and the issuance of this report, the value of assets held by the Plan at December 31, 2010 have declined by approximately 12% or \$8,500,000. This decline in asset value is consistent with the overall decline in the stock market for the same period.

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 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **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 EMPLOYEES' RETIREMENT PLAN OF MEDCENTRAL HEALTH SYSTEM	B Three-digit plan number (PN) <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF MEDCENTRAL HEALTH SYSTEM	D Employer Identification Number (EIN) 34-0714456
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>2010</u>			
2 Assets:			
a Market value	2a		58,848,986
b Actuarial value	2b		59,970,093
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	416	10,116,867
b For terminated vested participants	3b	809	11,721,460
c For active participants:			
(1) Non-vested benefits	3c(1)		351,970
(2) Vested benefits	3c(2)		36,780,476
(3) Total active	3c(3)	2,236	37,132,446
d Total	3d	3,461	58,970,773
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		6.65 %
6 Target normal cost	6		2,980,282

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 <u>Megan Schaffernocker</u> Signature of actuary MEGAN E. SCHAFFERNOCKER Type or print name of actuary MERCER Firm name 325 JOHN H. MCCONNELL BOULEVARD SUITE 350 COLUMBUS OH 43215-7644 Address of the firm	<u>Oct. 7, 2011</u> Date 11-06493 Most recent enrollment number (614) 227-5567 Telephone number (including area code)
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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) 2010
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>21.03</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		253,252
b Interest on (a) using prior year's effective rate of <u>6.26</u> %		15,854
c Total available at beginning of current plan year to add to prefunding balance		269,106
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	101.69 %
15 Adjusted funding target attainment percentage	15	101.69 %
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	90.00 %
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
01/25/2010	642,820		01/27/2011	638,400	
03/19/2010	642,820		03/21/2011	638,400	
05/21/2010	642,820		05/23/2011	638,400	
07/16/2010	642,820		07/26/2011	638,400	
09/23/2010	642,820		09/15/2011	598,400	
11/19/2010	642,820				
Totals ▶			18(b)	7,008,920	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	6,610,306

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: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	1,980,962
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
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	1,980,962
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	1,980,962
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c)	37	6,610,306
38 Interest-adjusted excess contributions for current year (see instructions)	38	4,629,344
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

Schedule SB, Line 19 —Discounted Employer Contributions

Date	Amount contributed	Plan year	Applicable effective interest rate	Discounted value of January 1, 2010
1/25/2010	321,410	2010	6.65%	320,052
2/19/2010	321,410	2010	6.65%	318,644
3/19/2010	321,410	2010	6.65%	317,074
4/16/2010	321,410	2010	6.65%	315,512
5/21/2010	321,410	2010	6.65%	313,570
6/18/2010	321,410	2010	6.65%	312,025
7/16/2010	321,410	2010	6.65%	310,488
8/20/2010	321,410	2010	6.65%	308,577
9/23/2010	321,410	2010	6.65%	306,732
10/26/2010	321,410	2010	6.65%	304,952
11/19/2010	321,410	2010	6.65%	303,663
12/20/2010	321,410	2010	6.65%	302,008
1/27/2011	319,200	2010	6.65%	297,927
2/22/2011	319,200	2010	6.65%	296,564
3/21/2011	319,200	2010	6.65%	295,155
4/25/2011	319,200	2010	6.65%	293,338
5/23/2011	319,200	2010	6.65%	291,893
6/20/2011	319,200	2010	6.65%	290,455
7/26/2011	319,200	2010	6.65%	288,617
8/30/2011	319,200	2010	6.65%	286,840
9/15/2011	598,400	2010	6.65%	536,220
Total	\$7,008,920			\$6,610,306

Schedule SB, Line 22 —Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A)	(B)	(C)	(D)	(E)
Age	Retirement Rate	Lx	Number of employees expected to retire (B) x (C)	(A) x (D)
55	3.00%	10,000	300	16,500
56	3.00%	9,700	291	16,296
57	3.00%	9,409	282	16,074
58	3.00%	9,127	274	15,892
59	3.00%	8,853	266	15,694
60	5.00%	8,587	429	25,740
61	5.00%	8,158	408	24,888
62	25.00%	7,750	1,938	120,156
63	15.00%	5,812	872	54,936
64	20.00%	4,940	988	63,232
65	50.00%	3,952	1,976	128,440
66	20.00%	1,976	395	26,070
67	10.00%	1,581	158	10,586
68	10.00%	1,423	142	9,656
69	10.00%	1,281	128	8,832
70	100.00%	1,153	1,153	80,710
		Total	10000	633,702
Average Retirement Age				63.37

Note: Column (D) is the product of columns (B) and (C). Column (E) is the product of columns (A) and (D). The average retirement age is the total from column (E) divided by the total from column (D).

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions****Discount rate sponsor elections**

▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	4
▪ First 5 years	5.03%
▪ Next 15 years	6.73%
▪ Over 20 years	6.82%

Mortality sponsor elections

▪ Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA
▪ Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995
▪ Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits

417(e) lump sums

Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality

Non-417(e) lump sums

▪ Mortality table	Not applicable
▪ Interest rate	Not applicable

Cash balance plans

▪ Interest accumulation rate	5.25% (4.49% in 2010)
▪ Whipsaw calculations	No
▪ Annuity conversion	
— Mortality table	Not applicable
— Interest rate basis	Not applicable

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Other economic assumptions**

- | | |
|------------------------------|---|
| ▪ Wage increase | 2.25% for 2010, then reverting back to age-based table for future years (see table of sample rates) |
| ▪ Social Security wage base | 4.50% per year |
| ▪ Inflation | 3.50% per year |
| ▪ Expected investment return | 7.50% per year for years 2008 through 2010 |
| ▪ Expenses | Prior year actual expenses, adjusted for interest.
\$477,804 added to current year normal cost |

Demographic assumptions

- | | |
|------------------------|---|
| ▪ Withdrawal | 2003 SOA Pension Plan Turnover Study – Select and Ultimate Table with adjustment. See table of sample rates |
| ▪ Disability incidence | See table of sample rates |

▪ Retirement age	Attained age	Annual Percentage
	55-59	3%
	60-61	5%
	62	25%
	63	15%
	64	20%
	65	50%
	66	20%
	67-69	10%
	70	100%

▪ Benefit commencement age for		
– Future vested deferred	60	
– Current vested deferred	60	

▪ Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
– Percentage married	80%	80%
– Spouse age difference	3 years younger	3 years older

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment	<u>Lump sum</u>	<u>Single life</u>	<u>75% J&S</u>
▪ Active retirements	100%	0%	0%
▪ Future vested deferred	100%	0%	0%
▪ Future disabilities	100%	0%	0%
▪ Future deaths	100%	0%	0%
▪ Current vested deferred			
– with a Mansfield Plan benefit	0%	70%	30%
– with only a cash balance benefit	100%	0%	0%
Unpredictable contingent event assumptions Not applicable			

Table of sample rates

Withdrawal Rates		
Attained Age	Length of Service Under 5 Years	Length of Service 5+Years
20	19.60%	11.65%
25	16.10%	8.67%
30	13.00%	6.04%
35	11.80%	5.10%
40	10.80%	4.68%
45	9.80%	4.25%
50	9.20%	3.83%
55	8.70%	3.40%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Disability Rates**

Attained Age	Males	Females
20	0.03%	0.03%
25	0.04%	0.05%
30	0.05%	0.08%
35	0.07%	0.14%
40	0.12%	0.21%
45	0.20%	0.32%
50	0.36%	0.53%
55	0.72%	0.95%
60	1.26%	1.16%

Earnings Progression*

Attained Age	Percentage Increase at Attained Age
20	6.50%
25	6.00%
30	5.50%
35	5.00%
40	4.50%
45	4.00%
50	3.50%
55	3.00%
60	3.00%

*2.25% for 2010, then reverting back to age-based table for 2011 onwards.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial methods

Asset methods

The asset valuation method is an average of the adjusted market value for each year during the last 2 years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date.
- **Insurance contracts:** The plan does not have any insurance contracts.
- **Disabled participants:** The liabilities for participants on long-term disability have been included with the liabilities for terminated vested participants.
- **Estimated benefits:** We estimated benefits for the terminated vested participants when exact termination calculations were not provided to us.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.

- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Maximum suggested contribution method

Calculations of maximum suggested contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's **projected funding target** is the present value of benefits based on credited service as of the beginning of the plan year and projected compensation that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the projected funding target for an individual is the sum of the component projected funding targets associated with the various anticipated separation dates.
- The plan's **projected funding target** is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target is included in the "cushion amount."

Schedule SB, Part V — Summary of Plan Provisions**Benefits included or excluded**

Unless noted below, all benefits provided by the plan, as restated and amended through January 1, 2008 are included in this valuation.

- **Plan amendments:** Amendments adopted after the valuation date or effective after the current plan year are excluded from the valuation.
- **Late retirement increases:** The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70 ½. This valuation does not include increases for current participants over age 70.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). The funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Summary of major plan provisions

Effective date and plan year	Original plan: July 1, 1965 Restated plan: January 1, 2007 Plan year: January 1 – December 31
Status of the plan	The plan has ongoing benefit accruals and new employees are eligible to participate in the plan once they satisfy the participation requirements.
Significant events that occurred during the year	None

Definitions

▪ Covered employees	Employees of MedCentral Health System
▪ Participation	An employee is eligible as of the January 1 or July 1 after attaining age 21 and completing a year of employment with at least 1,000 hours of service.
▪ Employee contributions	Not applicable
▪ Vesting service	An employee shall receive one (1) year for each calendar year that he or she is credited with at least 1,000 hours of service.

Schedule SB, Part V — Summary of Plan Provisions

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- | | |
|------------------------|--|
| ▪ Pensionable earnings | Total salary or wages including bonuses, overtime pay, overtime premium, shift differential, on-call or call-in pay and other paid time off, Code Section 403(b) deferrals, and clergy housing allowances. |
|------------------------|--|
-

Normal retirement

-
- | | |
|---------------|--|
| ▪ Eligibility | For those who become participants after January 1, 1997, the last day of the month in which an employee attains age 65 or the fifth anniversary of his or her participation if later. For those who were participants on or before January 1, 1997, the last day of the month in which an employee attains age 65. |
|---------------|--|
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- | | |
|-----------|--|
| ▪ Benefit | <p>Benefit: An Account Balance is established for each plan participant. This account is credited as of January 1, 1997 with an Initial Account Balance and with Compensation Credits and Interest Credits at the end of each plan year thereafter.</p> |
|-----------|--|

Initial Account Balance: The Account Balance of any participant of the prior plan will be credited with an amount equal to the actuarial equivalent of the participant's prior plan benefit based on the accrued benefit determined under the terms of the Plan in effect on December 31, 1996.

Compensation Credits: If a participant is credited with at least 1,000 hours of service during a Plan Year, at the end of that Plan Year or upon termination of employment, the participant's Account Balance will be credited with the amount stated in the table below:

<u>Age at last birthday</u>	<u>Compensation credit</u>
Under 30	2.5%
30 - 39	3.0%
40 - 49	4.0%
50 - 59	5.0%
60 or older	6.0%

Interest Credit: As of the last day of each Plan Year, a participant's Account Balance will be credited with interest equal to the product of the participant's Account Balance multiplied by the average return on 30-Year Treasury bills for the preceding December.

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
▪ Eligibility	Attainment of age 55 and completion of three (3) or more years of Eligibility Service.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the Early Retirement Date.
Late retirement	
▪ Eligibility	The first day of the month subsequent to the member's normal retirement date and following termination of employment.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the Late Retirement Date.
Deferred vested	
▪ Eligibility	Completion of three (3) years of Eligibility Service.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the date of termination. Interest Credits are credited to the Account Balance up until the balance is distributed.
Disability	
▪ Eligibility	Completion of fifteen (15) years of Eligibility Service and total and permanent disability.
▪ Benefit	The Account Balance as defined for Normal Retirement, with accruals through the date of disability. Interest Credits are credited to the Account Balance up until the balance is distributed.
Pre-retirement death	
▪ Eligibility	If a participant dies after becoming vested but before retiring, the surviving spouse or beneficiary is entitled to a pre-retirement death benefit.
▪ Benefit prior to early retirement	Calculated as if the deceased participant had terminated on the date before death and elected the joint and 50% form of payment as of the earliest possible retirement date. The surviving spouse may elect to receive 50% of the deceased participant's Account Balance in lieu of the monthly benefit. The beneficiary or estate of an unmarried participant shall receive 50% of the participant's Account Balance upon the participant's death.

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
▪ Automatic form for unmarried participants	A monthly life annuity.
▪ Automatic form for married participants	Joint and 50% Survivor annuity.
▪ Optional forms	▪ Life Only ▪ Life and Ten Years Certain ▪ Joint and 50% Survivor ▪ Joint and 75% Survivor ▪ Joint and 100% Survivor ▪ Lump Sum
▪ Optional form conversion factors	417(e) assumptions for lump sums. Optional forms of benefit other than the lump sum are based upon the 1984 Unisex Pension Table (with the participant's age set-back 3 years) and an interest rate of 6.0%.
Miscellaneous	
▪ Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2010, the limit is \$245,000.
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2010, the limit is \$195,000.

Schedule SB, Part V — Summary of Plan Provisions

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- | | |
|---------------------|--|
| ▪ Amendment History | <ul style="list-style-type: none">▪ January 1, 1997 - Convert to Cash Balance Plan▪ January 1, 2000 - Increased interest credits to 8% for plan years 1997 through 1999.▪ January 1, 2002 – Increased compensation limit pursuant to EGTRRA.▪ December 31, 2002 – Convert Account Balances to monthly benefits and calculate lump sums based on the 1994 GAR projected to 2002 (unloaded and blended 50% male/50% female)▪ March 28, 2005 – The threshold for mandatory lump sum payments was lowered from \$5,000 to \$1,000 with optional lump sum payments available for payouts between \$1,000 and \$5,000 if requested during the 90-day election period.▪ January 1, 2007 – Plan restatement.▪ January 1, 2008 – PPA required 100% vesting for cash balance plans after three years of vesting service. MedCentral expanded upon this and updated their early retirement eligibility to 55 and three (3) years of vesting service. PPA benefit restriction provisions and increase election period to 180 days. |
|---------------------|--|
-

Schedule SB, Part V — Summary of Plan Provisions***Minimum benefit provisions for eligible employees as of December 31, 1996*****Definitions**

▪ Continuous service	Elapsed time from hire date through January 1, 1976 plus one year of such service after January 1, 1976 for each Plan Year in which an employee works at least 1,000 hours.
▪ Continuous benefit service	One year for each full Plan Year prior to termination in which a participant worked 501 or more hours, but less than 1,000 hours, plus a portion of a year for the year of hire and/or year of termination if applicable.
▪ Credited service	(a) Prior to January 1, 1976 - number of years at Continuous Service; (b) January 1, 1976 to December 31, 1983 - 1/10th of a year for each 200 hours worked in each Plan year not to exceed one (1); (c) January 1, 1984 and later - 1/10th of a year for each 190 hours worked in each Plan Year, not to exceed one (1).
▪ Compensation considered	Total salary or wages including bonuses, overtime pay, overtime premium, shift differential, on-call or call-in pay and other paid time off, Code Section 403(b) deferrals, and clergy housing allowances.
▪ Final average monthly compensation	Monthly Average Compensation for the five (5) highest paid consecutive calendar years of the ten (10) calendar years prior to the earlier of (a) the calendar year of termination or retirement or (b) December 31, 2000. For terminations or retirements on the last day of a calendar year, the final year is used in the average.
▪ Covered compensation	The average of the Social Security Taxable Wage Bases in effect for each calendar year during the 35-year period ending with the earlier of (a) the last day of the calendar year in which the employee attains Social Security Retirement Age or (b) December 31, 2000.

Normal retirement

▪ Eligibility	The last day of the month in which an employee attained age 65.
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Schedule SB, Part V — Summary of Plan Provisions

▪ Benefit	A monthly benefit in the amount of the greater of (i), (ii) or (iii) below: (i) 0.9% of final Average Monthly Compensation up to Covered Compensation, plus 1.45% of Final Average Monthly Compensation in excess of Covered Compensation; the sum multiplied by years of continuous Benefit Service at retirement (not to exceed 30 years). (ii) 1.0% of Final Average Monthly Compensation (up to \$2,667 per month) multiplied by years of Continuous Benefit Service at retirement (not to exceed 30 years). (iii) \$12.00 multiplied by years of Credited Service at retirement.
Early retirement	
▪ Eligibility	Attainment of age 55 and completion of ten (10) or more years of Eligibility Service.
▪ Benefit	Same as Normal Retirement Benefit taking into account only service through Early Retirement, reduced 1/12th of 5% for each month that benefit commencement precedes Normal Retirement.
Late retirement	
▪ Eligibility	Termination of employment following Normal Retirement Benefit Eligibility.
▪ Benefit	Same as Normal Retirement benefit including service after Normal Retirement.
Deferred vested	
▪ Eligibility	Termination of employment after completion of five (5) years of Eligibility Service.
▪ Benefit	Same as Normal Retirement Benefit taking into account only service through termination (payable at Normal Retirement Age).
Disability	
▪ Eligibility	Termination of employment due to permanent and total disability after fifteen (15) years of Eligibility Service.
▪ Benefit	Same as Early Retirement Benefit, with further actuarial reduction for commencement prior to age 65.

Schedule SB, Part V — Summary of Plan Provisions**Pre-retirement death**

- | | |
|-------------------------------------|--|
| ▪ Eligibility | A married vested participant who dies shall be eligible for a death benefit. |
| ▪ Benefit prior to early retirement | The amount of the death benefit shall be the monthly pension due to the spouse had the joint and 50% survivor option been elected immediately before the death of the participant. |

Form of benefits

- | | |
|---|--|
| ▪ Automatic form for unmarried participants | A monthly life annuity. |
| ▪ Automatic form for married participants | Joint and 50% Survivor annuity. |
| ▪ Optional forms | <ul style="list-style-type: none"> ▪ Life Only ▪ Life and Ten Years Certain ▪ Joint and 50% Survivor ▪ Joint and 75% Survivor ▪ Joint and 100% Survivor ▪ Lump Sum |

Plan provision changes since prior valuation

Maximum compensation and maximum benefits were updated from 2009 to 2010 although the limits did not change, so there was no impact on the results.

Schedule SB, Line 24 — Change in Actuarial Assumptions

- Interest discounts and mortality rates were updated from 2009 to 2010 in accordance with PPA.
- Expense normal cost increased from \$414,118 to \$477,804 to reflect our expectations for the current plan year.
- Expected wage increases were changed from 0.00% for 2009 and the age-based table onwards to 2.25% in 2010 and the same age-based table onwards.

Schedule SB, Line 25 — Change in Method

The minimum funding method was changed in 2010 to allow for negative normal cost for an individual.

Schedule SB, Line 26 — Schedule of Active Participant Data

Attained age	Years of credited service									
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up
< 25		65 28,499 1,420	1							
25 - 29		136 33,782 2,129	61 35,115 5,261	2						
30 - 34		93 34,499 2,579	104 43,499 8,505	35 42,010 12,704						
35 - 39		74 35,948 2,821	102 39,558 8,440	92 49,315 16,306	20 46,336 19,772					
40 - 44		61 36,891 3,878	89 42,114 10,605	49 44,671 16,842	34 46,929 20,088	32 47,448 22,945				
45 - 49		80 43,428 4,442	85 41,602 11,380	45 40,265 18,381	33 44,941 24,279	44 45,922 27,072	27 48,803 31,644	7		
50 - 54		51 41,427 4,983	81 41,997 12,902	57 44,216 19,927	36 52,613 31,944	37 51,747 37,107	40 48,136 37,799	42 57,753 50,094	3	
55 - 59		41 36,909 3,999	57 39,807 15,111	40 35,459 21,673	33 54,170 37,797	34 49,557 42,106	23 52,142 47,340	33 55,059 56,515	25 52,869 61,108	
60 - 64		16	37 36,723 15,676	25 35,614 24,606	21 46,806 40,000	25 54,203 51,598	13	16	11	5
65 - 69		7	13	6	4	6	4	2	1	2
70+		3	3	4	3	2	2			1

In each cell, the top number is the count of active participants for each age/service combination. The middle number is average pay for 2009 limited to \$245,000. The bottom number is the average cash account balance. Average pay and cash balance accounts are not shown for cells with fewer than 20 participants.